

ALASKA OCS OFFICE
ANCHORAGE, ALASKA
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3 PUBLIC MEETING
4 ON
5 DRAFT ENVIRONMENTAL IMPACT STATEMENT ON PROPOSED
6 OCS LEASE SALE 60 (LOWER COOK INLET/SHELIKOF STRAIT)
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13 The above-cited hearing was held in the Elks Lodge, Homer, Alaska,
14 on October 14, 1980.

15 The hearing was conducted by Ms. Esther Wunnicke, Manager, Alaska
16 OCS Office, Anchorage, Alaska.
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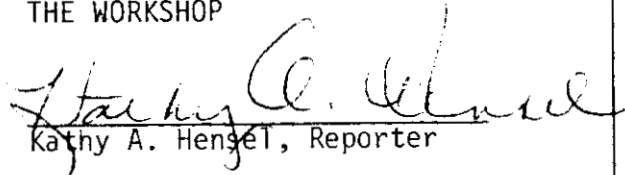
C E R T I F I C A T E

THIS IS TO CERTIFY:

That the Public Hearing in the matter of:
DRAFT ENVIRONMENTAL IMPACT STATEMENT ON
PROPOSED OCS LEASE SALE 60 (LOWER COOK INLET/
SHELIKOF STRAIT)

was held as herein appears and that this is the
original verbatim transcript thereof.

THE WORKSHOP


Kathy A. Hensel, Reporter

PANEL MEMBERS

ESTHER WUNNICKE	MANAGER, ALASKA OUTER CONTINENTAL SHELF OFFICE
CHRIS ONES	OFFICE OF OCS COORDINATION, WASHINGTON DC
PATRICIA HARVEY	LAND AND WATER RESOURCES, WASHINGTON DC
JERRY REED	OCS COORDINATOR, FISH AND WILDLIFE SERVICE, ALASKA
JOE JONES	REGIONAL MANAGER, CONSERVATION OF THE U.S. GEOLOGICAL SURVEY
DAVID PAGE	DEPUTY ASSISTANT SECRETARY FOR ENERGY AND MINERALS, WASHINGTON D.C.
JACK WHITE	ASSISTANT DIRECTOR FOR ENERGY AND MINERALS FOR BOROUGH OF LAND MANAGEMENT, WASHINGTON DC

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PUBLIC TESTIMONY

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MS. VIRGINIA DE VRIES	PRIVATE CITIZEN
MR. DAVID HOOPES	KODIAK ISLAND BOROUGH
MR. THOMAS PETERSON	KODIAK ADVISORY COUNCIL
MR. STEVEN SMILEY	PRIVATE CITIZEN
MS. NANCY LORD	PRIVATE CITIZEN
MR. GEROGE RIPLEY	PRIVATE CITIZEN
MR. CARLOS FREEMAN	PRIVATE CITIZEN
MS. GEORGIA LENNEA HODGE	PRIVATE CITIZEN
MR. RAY W. HODGE	HOMER NATURAL FOODS
MR. GREG DEMURS	PRIVATE CITIZEN
MS. JOY POST	PRIVATE CITIZEN
MR. DEAN HEUSEL	PRIVATE CITIZEN
MR. BOB SCHIRO	COMMERCIAL FISHERMAN
MR. LAWRENCE NEVITT	PRIVATE CITIZEN
MR. YULE KILCHER	PRIVATE CITIZEN
MS. DIANE SPENCER	RIVATE CITIZEN
MR. RICHARD KNOWLES	ATLANTIC RICHFIELD COMPANY
MR. REUBEN CALL	PRIVATE CITIZEN
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14	MR. BOB BARNETT	PRIVATE CITIZEN
15	MS. BETH CUMMING	PRIVATE CITIZEN
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19	MS. LEE STRATTON	NORTH PACIFIC RIM
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21	MR. BILL OSBORNE	KANA
22	MS. MARILYN HAMMON	PRIVATE CITIZEN
23	MR. ASAIAH BATES	PRIVATE CITIZEN
24	MS. LAURA BARTON	PRIVATE CITIZEN
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MR. JOE JONES: Ordinarily at this time, the meeting will be opened and

chaired by Mrs. Esther Wunnicke, who is the OCS Manager for BLM for Alaska.

Due to the head winds and further other interruptions on transportation, part

of our panel, including Mrs. Wunnicke, haven't arrived at this time. We have

a very full Agenda and we feel that we must start the proceedings so that we

can continue right on through. Part of our panel must be in Kodiak tomorrow,

so we must move right along on our testimony today. We have a full Agenda, and

we must ask each of you who gives testimony today to limit yourself to the

10-minute period that was allotted to you. So at this time, I would like to

introduce the four members of the panel that are here. We have Mr. David Page

on my left, who is the Secretary of Staff of the Secretary's Office of Energy

and Minergy Resources. On my right we have Chris Ones from the Office of OCS

Coordination and we have to my right, Patricia Harvey, who is on the staff of

the Secretary for Land and Water Resources. There are three more members of the

panel to be here very shortly. At this time, I would like to ask any members of

the panel if they have any introductory remarks that they would like to make?

(No response) As you know, this meeting is the eighth step in the ordinary

lease sale procedure. Step 8 is defined as "Public Hearings." After the draft

EIS is released to the public, and that's what we have here with us today, is

Sale 60, the Draft EIS for this sale. After it is released, we have public

hearings at which time the public is invited to make their comments. The

comments are consistent--consist of testimony which is given to direct the

comments to this document. Your comments can be received, written comments as

well as oral testimony. We have asked today that since our official Court

1 Reporter is not here yet either, we will have to ask you to please bring your
2 written testimony and turn it in to somebody here from the BLM office up here
3 at the front podium. I'm sure when Mrs. Wunnicke gets here, she will have a
4 better prepared introductory speech that she has given to this group here,
5 I think, and in Kodiak several times. She will explain more in detail the OCS
6 leasing procedure. Suffice it is to say that BLM has--Bureau of Land
7 Management, the OCS has the responsibility of carrying out the Secretary's
8 mandate to hold oil and gas leasing on the OCS lands. The organization that
9 I represent, Geological Survey, has the regulatory and enforcement responsibility
10 for the OCS. We also act as an advisory capacity to the Bureau of Land
11 Management. With no further adieu, I will call on the first person on the
12 Agenda to testify today, and he is Ken Bloom of the Kachemak Bay Conservation
13 Society.

14 MR. KEN BLOOM: Members of the panel and missing members. My name is
15 Kenton Bloom. My testimony is the official statement for the Kachemak Bay
16 Conservation Society. This testimony relates to the proposed oil and gas lease
17 sale No. 60 in the Lower Cook Inlet and Shelikof Strait. I wish I could be-
18 lieve the public participation in the OCS leasing process is an important
19 contribution to the Interior Secretary when he weighs the economic advantages
20 of the sale versus the environmental, social and economic impacts of offshore
21 leasing. A brief review of past responsiveness of the Secretary of the
22 Interior allows little room for such hope. At what point does the degradation
23 of our environment and our lives outweigh the catering to this nation's
24 insatiable thirsting for oil?

25 The Draft Environmental Impact Statement postulates: 11 major oil

1 oil spills will occur during the expected 26 year life of this and other
2 OCS leases in this area. Spills that in the past have average 2,000 barrels
3 each. The report projects a 98% chance of at least one spill of this magnitude
4 will occur. During any given spill, there is a 94% chance of oil will reach
5 the shoreline within 10 days when it is at its highest level of toxicity. The
6 history of oil spills show that each will affect an area of 25 - 150 miles of
7 coastline. The oil will persist in most areas of the⁹ coastline, especially
8 mudflats, salt marshes, sheltered rocky headlands, and gravel beaches for ten
9 years or longer. Eleven major spills.

10 Marine biota, fish, waterfowl, marine mammal populations of every
11 species are subject to the high levels of toxicity in the likely event of a
12 major oil spill. This will lead to large reductions in populations throughout
13 the food chain, raising the spectrum of further catastrophic declines in
14 population from a complete degeneration of the ecosystem.

15 This scenario bodes ill for a local fishing industry that harvests over
16 60 million dollars worth of marine products a year. Local subsistence and
17 sport users would be impacted drastically, affecting thousands of residents
18 and visitors alike for years to come. Fifty percent of our local work force
19 is engaged in fisheries and their related activities. Twenty-five to thirty-
20 three percent are working in jobs that are tourism related.

21 It is apparent to everyone that the technology for containing and cleaning
22 up oilspills is woefully inadequate, especially in an area of generally
23 inclement weather which often becomes dangerously violent.

24 It is not clear that the devastating impacts from the proposed sale to
25 our environs and all the rich and varied life within is far past being a

1 reasonable risk and bordering on insanity. Groups who discourage the sale
2 include such diverse organizations as the U.S. Coast Guard, the Alaska Oil
3 and Gas Association, the National Marine Fisheries Service, the Kodiak Island
4 Borough, and even various oil companies.

5 You will hear people testify during these hearings that will support the
6 sale. People who support increased benefits that oil development in lower
7 Cook Inlet and Shelikof Straits will bring into our lives. Those who speak
8 in favor of this sale, whether politically or economically motivated, will
9 mention the wonderful benefits we shall reap. They will mention the
10 stabilizing influence petro-dollars will bring to our local economy. They
11 will tell us of more jobs for the community and increased opportunity for our
12 youth. I believe these arguments are, sadly, from the uninformed, uncaring
13 voices of opportunists who seek nothing but personal gain from O.C.S.
14 activities and their development.

15 Opposing these voices are people who are deeply concerned, concerned for
16 this area and the wonderfully rich life and beauty it holds, people who are
17 deeply concerned about the future quality of our environment, the quality of
18 our lives and our children's lives.

19 The Kenai Peninsula Borough Baseline Study of 1977 shows that 82.6%
20 of Homer's population feel that aesthetic values, small town atmosphere, and
21 the general lifestyle of the area are the most valued qualities of living in
22 Homer. Job availability was mentioned first as a quality valued by only 1.4%.
23 The study further states that 69.9% would prefer new jobs added slowly,
24 compared to 11.4% favoring rapid additions of jobs. Only 27.7% indicated they
25 would encourage development of supply bases in Homer for O.C.S. related

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1 activites. The Draft Environmental Impact Statement states that few or none
2 of the oil-related jobs will go to local residents.

3 As a result of this action proposed by the Department, we have
4 divisiveness in our community--divisiveness that leaves us weakened for lack
5 of a unified voice throughout the community. This divisiveness is encouraged
6 by those who encourage oil development. I would suggest that you resist the
7 temptation to ignore popular opinion, resist the temptation to forsake the
8 voice that speak out protecting and nurturing the life and environs within
9 which we all live.

10 For the past few weeks, Kachemak Bay residents have been signing a
11 petition that states "We the undersigned citizens oppose the Alaska OCS
12 oil and gas lease sale number 60 and other related oil development in the lower
13 Cook Inles and Shelikof Straits." In a very short time, we have gathered
14 signatures of nearly 400 people who want no part of oil development in their
15 lives, people who consider an irretrievable loss of lifestyle and quality of
16 life completely unacceptable. In view of the huge risks and losses that will
17 accompany oil development, in view of the overwhelming majority of people that
18 speak against oil development in the lower Cook Inlet and Shelikof Strait,
19 the Kachemak Bay Conservation Society calls upon the Secretary of the Interior
20 to cancel this sale, to initiate condemnation proceedings against existing
21 leases and declare lower Cook Inlet and Shelikof Straits resources too valuable
22 to ever risk oil development here again.

23 Please realize that people threatened with the loss of lifestyle and
24 quality of life we so much love, will only become increasingly defensive of
25 the loss of this life. Our resolve and strength and purpose in preventing this

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1 loss will only solidify and grow. We will take whatever steps necessary
2 to discourage and disallow the siting, supply, storage or staging of oil
3 related activities on the lower Kenai Peninsula. Please inform the Secretary
4 of the Interior that a long and most likely bitter fight has been joined,
5 and that we will fight every step and stage of oil development in this area,
6 that we are strong for we are fighting for our lives. Thank you.

7 MR. JONES: Thank you, Mr. Bloom. That was very well put.

8 MS. VIRGINIA DE VRIES: I have read the Draft Environmental Impact
9 Statement for Lower Cook Inlet Shelikof Strait, Oil and Gas Lease Sale
10 #60. On page two of the summary sheet that precedes the impact statement
11 (last paragraph from the bottom) one finds this quote: "The sea otter could
12 suffer most from the oil spill, with a major spill being capable of completely
13 destroying the entire population of 2 to 4,000 animals that exist here today."
14 The problem with endangering the sea otter is that they have been linked to
15 the overall productivity of the other species which are important to the
16 economy of Homer. In another section of the Impact Statement, Graphic 1 IIIB
17 Biological Characteristics 1, Vulnerable Coast, one find this statement:
18 "Evidence from California and the Aleution Islands indicates that the sea
19 otter is the key species in determining the structure of near shore communities.
20 In areas with dense sea otter populations, urchins, limpets, and chitons are
21 reduced to sparse populations of small individuals: Macroalgae flourish,
22 providing food and shelter for a variety of organism, especially crustceans;
23 wave explosure is reduced, siltation increases and overall productivity is
24 high. In contract, similar areas with few or no sea otters have dense
25 populations of large herbivores; macroalgae are severaly overgrazed; bar

1 rocky substrates are exposed to wave action; and overall productivity is
2 low."

3 On page 37 - 38 of the Environmental Impact Statement under the heading
4 of "Summary of Probable Impacts" one reads: "Within a 10-day transport period,
5 oil spills have a 94 percent chance of impacting coastal habitats due to the
6 expanse of relatively close shorelines surrounding the lease sale areas.
7 Although species would be variously effected intertidal dwelling species such
8 as the razor clam, could be destroyed outright or tainted for a period of up
9 to 1 year."

10 On page 38, the study goes on to say, "Major impacts (25 -75% mortality
11 of a bird species population) from spill incidents could occur. . ." The study
12 goes on to say, "Some vulnerable bird species indicated in the impact
13 discussion could take as long as 50 years to recover from a single 50 percent
14 mortality event." We don't want to destroy 25 - 75% of any of our birds, and
15 I wonder if the bald eagles and peregrin falcons are included under the evasive
16 term "some vulnerable bird species?" On graphic 10, the study says that these
17 two coastal birds are within the sale area. "The bald eagle is a breeding,
18 year-round resident along the coast of lower Cook Inlet and Shelikof Strait."

19 Graphic 12 IIIB-5 mentions there are 17 whale species which occur
20 in the proposed sale area. Seven of these species and the Aleutian Canada
21 Goose found within the area are listed as endangered species in the Federal
22 Register (Vol. 44, NO. 12). These endangered species are suppose to be
23 protected under such acts as the Marine Mammal Protection Act of 1972.

24 On page 38 of the Draft Environmental Impact Statement, one reads:
25 "Groundfish, haibut, and other populations of dermersal fish species may be

1 reduced by the effects of oil spills to some other unquantifiable amount."

2 The words "unquantifiable" troubles me greatly.

3 Clams and halibut are important to the community. On graphic 15 IIIC4
4 under Recreation Resources, Kenai Peninsula, the study states: "At Clam Gulch
5 over 3,000 clamdiggers have been observed on the beach during one spring low
6 tide. More than 500 parked cars have been counted in the immediate vicinity
7 at one time."

8 Graphic 5 IIIB 2 Sport and Commercial Fishing states: "In 1978, the
9 estimated sport catch of halibut in Cook Inlet from May 15 to August 31 was
10 300,000 pounds or 14 percent of the commercial landings of 2,208,000 pounds."

11 So far I have expressed concern for the sea otters and the crustaceans whose
12 abundance is linked to the sea otters, for the clams, the halibut, the whales
13 and birds to mention only a few of the creatures for whom danger has been
14 spelled out in the study.

15 I am concerned about the areas where little information is available as
16 well. In the Environmental Geology section of the maps provided by OCS
17 I found the statement: "Studies of the U.S. Geological Survey on the
18 environmental geology of Shelikof Strait have not yet been published at this
19 time." How can anyone okay an oil lease about such an environmentally sensitive
20 area when so much is unknown about the geology?

21 Graphic II states, "There have been no studies on ice hazards to
22 structures or oil transport by ice in the lower Cook Inlet. Also, damage to
23 vessels or structures could occur if collisions were made with sea ice of the
24 size reported."

25 Under Spray Ice in the same section the study states: "Also, dangerous

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1 stresses can occur to oil drilling ships and other stationary platforms" The
2 study goes on to say that ". . . vessels in Shelikof Strait might find it
3 difficult to avoid icing since many of the bays would contain shore line ice,
4 and ready access to shelter may not be available."

5 One could spend hours reading all the sentences in the Draft
6 Environmental Impact Statement which state there are no studies, no data
7 available, it is thought, possible effect might be, et cetera, et cetera.

8 There isn't time in 10 minutes to discuss all the socioeconomic impacts
9 that the lease sale would bring to Homer. I would like to share three
10 quotes from the OCS Development Kenai Peninsula Baseline Study, 1977:

11 On page 1-1 one reads: "A rate of 15 - 20 percent population growth
12 seems to cause breakdown in local and regional institutions."

13 On page 1-17, "The extent of the nightmare will, of course, depend
14 primarily on the rate and level of development industry decides on."

15 Finally, on 2-17, "The ability of Homer to determine and influence the
16 type of land-use will never be greater and will rapidly diminish if the pace
17 of development increases as a result of OCS activity in lower Cook Inlet."

18 If we don't allow the proposed oil and gas leases, I'm convinced that
19 we can avoid the blight and disaster of areas like North Kenai. We live in
20 one of the most beautiful and fertile coastal areas in the world. Our
21 independence in the quality of our lifestyles depend on protecting it. Let
22 us not exchange this heritage for the currency of oil. Once it is gone, it
23 cannot be regained. Thank you.

24 MR. JONES: Thank you, Ms. De Vries. The panel from time to time may
25 wish to ask questions of those people giving testimony in an effort to

1 possibly clarify some of the testimony or to bring out some point that is not
2 quite clear. At this time, I would like to turn the meeting over to the
3 regular chairman, Mrs. Esther Wunnicke.

4 MRS. ESTHER WUNNICKE. Thank you, Mr. Jones. We really appreciate the
5 fact that you went ahead. The plane was a little bit in arriving. Thank you
6 all for coming. As Mr. Jones has probably already indicated to you, the
7 purpose of this hearing is to receive comments on the Draft Environmental
8 Impact Statement with respect to proposed oil and gas lease sale no. 60,
9 lower Cook Inlet and Shelikof Strait. If you are speaking from written material
10 it will be a benefit to our Reporter who will be transcribing all of your
11 remarks verbatim to give her a copy of that. As you probably have noticed
12 from the list of witnesses testifying, we have a heavy schedule ahead of us,
13 and so I would appreciate your staying within the time allowed. It might help
14 us to somewhat if, ah, if we do not indicate by a pause or other means of
15 our agreement or disagreement with the speaker. We are right on schedule,
16 Joe. Thank you all for coming. The next person scheduled to testify is
17 Mr. David Hoopes from the Kodiak Island Borough, and I know that Mr. Hoopes
18 is also scheduled to testify in Kodiak. I hope, David, that you will keep
19 your remarks somewhat brief.

20 MR. DAVID HOOPES: Your wish is my command.

21 MRS. WUNNICKE: Thank you.

22 MR. DAVID HOOPES: Distinguished panel members, Ladies and Gentlemen,
23 good afternoon. My name is David Hoopes. I am here today to represent the
24 Kodiak Island Borough as their OCS consultant and to present oral testimony
25 of behalf of the Borough.

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1 Our concern has never been whether or not offshore oil developement
2 will occur but rather when and under what conditions. Controversy over oil
3 development on the Kodiak OCS stems from a number of specific concerns.
4 Our overall goal as the governing body responsible for all Kodiak Island
5 Borough residents has been to encourage a greater public voice in all matters
6 affecting our shorelines and adjacent waters. During our review of BLM/OCS
7 oil and gas lease sale proposals, three substantive issues have emerged as
8 FOCI for general public concern. They are: onshore impacts, environmental
9 effects and fishing industry conflicts. Even this breakdown represents an
10 oversimplification of the issues involved because each area of concern overlaps
11 to a great extent to the others.

12 It was our first inclination, after reviewing this Draft Environmental
13 Impact Statement, to favor some modification of BLM's proposed Alternative IV.
14 This Alternative appears to offer substantial reductions in risk to resources
15 and environmental values of particular concern to Kodiak Island residents.
16 Deletion of the Shelikof Strait blocks from the proposal would significantly
17 reduce the risks of potential oil pollution, cumulative development impacts
18 and fishery conflicts with regard to a number of major fish and shellfish
19 resources. Removal of these blocks also greatly reduce the cumulative impacts
20 associated with offshore oil development, especially those impacts that might
21 affect marine birds. Deletion of these blocks would substantially reduce the
22 risk of oil spills and related effects to major sea otter and other marine
23 mammal habitat, particularly in the northern Kodiak Archipelago and Shelikof
24 Strait areas. The elimination of a tanker route through the treacherous
25 waters of Whale Pass greatly reduces the risks to important nearby marine and

1 coast habitat. The chance of potential adverse impacts to endangered cetaceans
2 also falls sharply. Major adverse impacts to the community infrastructure of
3 Port Lions and Kodiak would also be eliminated. In short, deletion of the
4 Shelikof Strait blocks from lease sale 60 would markedly reduce the unavoidable
5 adverse effects oil development could have on the resources and environment
6 upon which most of the area's residents depend for commercial gain and
7 subsistence.

8 The reduction in risks associated with various block deletions is
9 predicated upon the data and assumptions underlying the models used for
10 BLM's oilspill risk analysis. Recent research information made available to
11 the Kodiak Island Borough casts serious doubt on the ability of these models
12 to determine spill trajectories that accurately predict the speed and direction
13 of oil spills occurring within the proposed lease sale area.

14 There are other serious deficiencies in the Draft Environmental
15 Statement for lease sale 60 that have increased our reluctance to support any
16 alternative involving development at this time. Of major concern is the
17 failure of the document to adequately address any alternatives to the proposed
18 action other than various block deletion. Another major deficiency is BLM's
19 pointed declination to address the cumulative impacts this proposal shares in
20 concert with other proposed OCS lease sales scheduled for the Kodiak area.

21 Aside from the obvious desirability of protecting the renewable marine
22 resources upon which our economy and lifestyles are in large part based, we
23 share a general concern for the well being of all members of the ecological
24 community. We hold that no technology is worth risking the reduction or
25 irreplaceable loss of any species, nor have such losses ever proven necessary

1 to human survival in the past. We should not violate environmental life
2 support systems, or even environmental amenities frivolously. We cannot
3 support enterprises for which no obvious net gain in welfare for our island
4 communities can be demonstrated --- especially those enterprises that are,
5 by BLM's own admission, certain to have deleterious environmental side effects
6 based on the 95 percent probability that at least four major oil spills will
7 occur during the life of the sale.

8 Given the uncertainties involved with the USGS oil spill risk analysis,
9 the major commercial and latent fishery resources involved, the complete
10 absence of viable sale alternatives and the total lack of cumulative impact
11 assessment in conjunction with other proposed OCS lease sales in adjacent
12 areas, we have no other recourse but to request that lease sale 60 be delayed
13 until such time as these major deficiencies are satisfactorily rectified.
14 Should a delay in sale not be forthcoming, then we can only reaffirm our long-
15 standing position that OCS development be prohibited in Shelikof Strait.

16 Madam Chairman, in consideration of the large number of persons wishing
17 to testify here today, I shall relinquish the remainder of my time and
18 continue my presentation of the Kodiak Island Borough's testimony when this
19 hearing reconvenes in Kodiak tomorrow afternoon. Thank you.

20 MRS. WUNNICKE: Thank you. Before you leave, are there any members
21 of the Panel who have questions of Mr. Hoopes at this time?

22 MR. ONES: On the assumption I won't be asking things to clarify in
23 Kodiak, if the Task Force delayed the sale, how long would you like the delay
24 to be?

25 MR. HOOPES: Until the issues we raised are rectified, we are putting

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1 no time period on it.

2 MR. ONES: You also mentioned that there were viable alternatives
3 other than tract deletions. What kind of viable alternatives are you suggesting?

4 MR. HOOPES: I would suggest that we might look at other areas that can
5 be developed with less environmental impact for oil and gas and that the
6 alternatives to oil and gas be identified and at least reviewed. Things of
7 this nature. Other energy source alternatives in particular.

8 MRS. WUNNICKE: Thank you. Anybody else?

9 MR. PAGE: Mr. Hoopes, ah, I believe you said that Kodiak Island has
10 recently come into some information or some information is made available, a
11 call in to question the ability of the Geological Survey's oilspills projectory
12 analysis to accurately function or predict. Can you tell us what the source
13 of that information is?

14 MR. HOOPES: Yes, it's some earth satellite information that Gary
15 Huford (ph) has provided us with, and we are going into some more detail in
16 our written testimony regarding our concerns with that and not being a
17 physical oceanography and not wanting to take too much time, I would be glad
18 to discuss that with you at your convenience, but we have referenced to that
19 with us.

20 MR. PAGE: Thank you.

21 MR. HOOPES: You are quite welcome.

22 MRS. WUNNICKE: Any other questions of Mr. Hoopes? (No response) Let me
23 remedy an oversight. I would like to introduce two people who were not intro-
24 duced at the beginning of the hearing. On my right is Mr. Jack White, who is
25 the Assistant Director for Energy and Minerals for the Borough of Land

1 Management, from Washington DC and on my left is Mr. Jerry Reed, who is the
2 OCS Coordinator for the Fish and Wildlife Service, and he is representing the
3 Assistant Secretary for Fish Wildlife. Mr. Reed is from the Anchorage office,
4 and I believe the other members of the panel were introduced to you earlier.

5 The next person planning to testify is Mr. Frank Tupper. Let me also
6 make this bit of business clear that if you have not signed up to testify,
7 we will go in the order in which, ah, people have signed to testify. If you
8 are not on that list, there will be time available, we hope, at the end of the
9 list to hear anybody else who wished to be heard. We don't want to not hear
10 anyone who is here for that purpose. Also, if there is not time for you to
11 say all that you would like to say, and you wish to supplement your remarks in
12 writing later, you may do so, or if you do not wish to testify in person, and
13 would like to submit written testimony or written remarks, you may do so
14 until October 31 by mailing them to the OCS office in Anchorage at P. O. Box
15 1159, Anchorage, 99510.

16 The next person who has signed to testify is Mr. Frank Tupper. Mr.
17 Tupper? Mr. Frank Tupper? (No response) If he should come in, we will
18 try to hear him. We are a little bit ahead of time thanks to Mr. Hoopes.
19 Um, the next person after Mr. Tupper is Mr. Derek Stonorov. (No response)
20 I know I'm not going to go three for three. The next person is Mr. Thomas
21 Peterson.

22 MR. THOMAS PETERSON: Madam Chairwoman and members of the hearing panel,
23 good afternoon. My name is Tom Peterson. I am chairman of the Kodiak Island
24 Borough's OCS Advisory Council. I am here to render oral testimonial support
25 to the Borough's position concerning federal oil and gas lease sale 60 for

1 lower Cook Inlet and Shelikof Strait.

2 The Kodiak Island Borough OCS Advisory Council is a collective group of
3 Kodiak citizens who have been given authority by the Kodiak Island Borough
4 Assembly to provide the technical studies and policy advisements in assisting
5 the Assembly to take action concerning the OCS oil and gas development in and
6 around Kodiak.

7 The Council has scrutinized the Draft Environmental Statement for lease
8 sale 60 with the upmost diligence with a time frame that was incredibly
9 limited. After this careful review of the draft, the Council recommended to
10 the Assembly to adopt the position for delay of sale for the following
11 reasons: The most important reason of all is the Kodiak community's concern
12 for their fishery resources in the Shelikof Strait area. The abundance of
13 the various commercial species of fish in the Shelikof are of the greatest
14 importance when addressing oil and gas development within the same boundaries.
15 As Dr. Hoopes stated in his testimony today, the OCS Council's initial feelings
16 on Alternative IV as a position were that the Shelikof Strait fishery resources
17 could be limited to adverse affects of oil and gas developments as stated in
18 that particular scenerio. However, as Dr. Hoopes pointed out, the information
19 the Borough has in its possession concerning the oil spill trajectory analysis
20 models within the draft does contest their accuracy and credibility to a large
21 degree. It is with that information and the new assessments of ground fish
22 resource potential in the Shelikof Strait as recorded by the National Marine
23 Fisheries Service that has convinced this OCS Council to advocate a delay of
24 sale until a more accurate and formidable addressal to leasing block areas
25 in and near Shelikof Strait can be formulated by the office of OCS/BLM.

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1 It has been the unrelenting position of this Council to advocate the
2 recognition of cumulative impacts of lease sale 60 and 46, which is now
3 lease sale 61, by the Department of Interior since that Agency's inception of
4 the ambitious OCS five year lease plan. The OCS Council has addressed this
5 request at both the public hearings on lease sale 46 and the proposed five
6 year old and gas leasing schedule and now again for this public hearing on
7 lease sale 60. It is the Council's and Borough's adamant request to delay
8 this sale and future ones until the accumulative affects of such sales are
9 sufficiently addressed in the Environmental Impact Statement.

10 The Council has been aware for some time now, through conversations with
11 oil industry officals, that their industry will approach the Kodiak sale
12 areas with the concept of addressing cumulative aspects of oil and gas develop-
13 ment for cost effectiveness and beneficial profit advantage. Therefore, this
14 Council wants the OCS/BLM office to be cognizant of that fact also.

15 Dr. Hoopes' written position paper for the Borough's proposed alternative
16 and his page-by-page review that will be submitted to the Department of
17 Interior clearly exposes the numerous inadequacies throughout this Draft. The
18 Council thoroughly reviewed these and conclusively found them to reflect the
19 opinions of the Council concerning the somewhat blatant disregard to
20 effectively write a DEIS written within NEPA guidelines. The Council's
21 recommendation of delay of sale to the Borough for adoption is strongly supported
22 by Dr. Hoopes' written comments.

23 In concluding this oral testimony, I will again reiterate the Borough's
24 position to request a delay of sale for lease sale 60 for the Secretary of
25 Interior to consider. If this request is viewed unfavorably by the Secretary,

1 then it is pointed out to this hearing panel that the Borough has conceived
2 a tract deletion approach to this proposed sale that will be explained more
3 full through oral testimony at the public hearing in Kodiak tomorrow.

4 I thank you for this opportunity to let me express the Kodiak OCS
5 Advisory Council's views on lease sale no. 60.

6 MRS. WUNNICKE: Thank you, Mr. Peterson. Any questions of Mr. Peterson
7 by the members of the panel? (No response). Thank you.

8 MR. PETERSON: Thank you, again.

9 MRS. WUNNICKE: All right. The people in the audience are having some
10 trouble in hearing you as you testify, so be sure to use the--speak into the
11 microphone. Has Mr. Tupper come in? Mr. Stonorov? We are ahead of their
12 time, so I will continue to call them. Mr. Steven Smiley, representing the
13 Kachemak Bay Conservation Society?

14 MR. SMILEY: Hi, I wasn't quite prepared, and I might point out that
15 I'm not representing the Kachemak Bay Conservation Society.

16 MRS. WUNNICKE: Are you appearing as a private citizen?

17 MR. SMILEY: I'm appearing as a private citizen. Um, so I guess I'm
18 just going to say a couple of words off the top of my head. I will submit a
19 written testimony at a later date. Um, I use to teach economics at a
20 university--

21 MRS. WUNNICKE: Can you hear Mr. Smiley? There, that's better.

22 MR. SMILEY: How's that. I use to teach economics at a university.
23 I say that only to--in a sense to support what briefly I am going to say
24 because I think there is some economic foundation in my observations.
25 Generally, I just want to impress upon you, I think there is no reason to

1 believe at all that there will be any improvement in the over economic welfare
2 of any of the local regions in the Cook Inlet, lower Cook Inlet area. I think
3 the evidence of the nature of the unemployment situation in Kenai and Soldotna
4 where there has been significant oil and gas development points out the fact
5 that we cannot expect our employment rates to improve in this area. We will
6 expect and anticipate that many of the specialized jobs that will be associated
7 with this development will be from people that are outside our areas as
8 evidence in other similar situations and that overall, the inflationary
9 impacts, the employment impacts will in no way improve our local welfare.
10 I'm going to stop. That's all I have to say.

11 MRS. WUNNICKE: Thank you. May I ask--you are saying that the unemployment
12 rates may not change. Are you saying this is what happened also in Kenai and
13 Soldotna?

14 MR. SMILEY: Yeah, in general terms. Yes, there are a lot of minor
15 variations and variables, but, yes.

16 MRS. WUNNICKE: Any other questions of Mr. Smiley?

17 MR. SMILEY: I'll submit a written testimony in further detail.

18 MRS. WUNNICKE: Thank you. We would be please to have that. Has
19 Mr. Tupper come in yet? (No response) Mr. Stonorov? (No response). Ms.
20 Nancy Lord?

21 MS. NANCY LORD: My name is Nancy Lord. Good afternoon. I am a resident
22 of Homer and also a commercial fisherman in Cook Inlet. I have read the EIS
23 and consider the choices presented in it. I have also just returned from the
24 second annual alternative energy conference held in Fairbanks.

25 After reading the EIS, my recommendation on the lease sale for what it

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1 is worth, is the Alternative which you have listed as Alternative III - delay.
2 When I say "delay" I don't mean six months or one year, I mean an indefinite
3 delay for the reasons I will now give. Ah, the first reason is that according
4 to EIS, there is some very large biological data gaps, ah, for the area, and
5 without them you can't have a baseline that means anything later on to judge
6 the impacts against. Also, I suspect that there are some areas within the lease
7 area which are the most susceptible to damage and should be deleted, but I
8 don't think that information exists right now to identify which ones they are.
9 I certainly couldn't tell from the EIS, and I certainly don't have the intimate
10 knowledge of the area to try to guess which they are.

11 A second area--a second reason to delay the sale would be that the lower
12 Cook area has been nominated as a marine sanctuary. The Department of Congress
13 has accepted that nomination and it--so it is therefore, officially nominated.
14 However, it has not begun a study of the area or made any recommendations about
15 its status as a marine sanctuary. Ah, therefore, I think the sale should be
16 delayed until at least some study is done. I suspect that the area would prove
17 to be a good candidate for a marine sanctuary, possibly not the whole area,
18 but parts of it, and that oil and gas development may or may not be compatible
19 with marine sanctuaries in that area. To go ahead with the sale before an
20 area has even been studied is just--cuts off any options, and I think would
21 be irresponsible.

22 A third reason to delay the sale is that the local areas which will be
23 impacted by exploration and development has not yet adopted a coastal zone
24 management plan. That plan at the very earliest will not be adopted until
25 at least several months after the sale is held, if it is as scheduled now.

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1 I don't think that is very fair to a local government, and I think they should
2 be given as much opportunity as possible to plan for development and to direct
3 it in ways that will be beneficial where there are benefits, and, ah, have
4 the least negative effect on the communities. Um, one last--or not last--but
5 one more reason for delaying the sale is to give the industry some extra
6 time it seems to need to improve their technology for operating in this
7 frontier area, ah, particularly Shelikof Strait. I don't believe they have
8 offered it in any other areas in the State that have tidalaction and storms
9 like you will find there. There certainly is a lot of room for improvements
10 in drilling techniques, transportation, and particularly in cleanup capability.

11 The last reason for delaying the sale is one I feel very strongly about,
12 and that is that I feel that this nation as a whole is on the wrong track with
13 an energy policy. There is a difference which should be made between national
14 need and national greed, and I feel right now we are on the latter. Ah,
15 currently Americans are using twice as much energy as nations in the rest of
16 the world who have approximately the same standard of living. As far as I
17 can tell, Americans have not begun to make a major effort to cut down on that.
18 There are--I would like to see the nation make a commitment to conservation.
19 There are--when I say that, I'm not talking about a new technology that we
20 need to wait for to be developed. There is--I can--there is car pooling,
21 public transportation, installing insulation, recycling, things that can be
22 done now with very little cost, very little effort, and the savings would be
23 tremendous. If someone could prove to me that there was a national need for
24 the oil out here, I would support a sale when it was needed, but as of now, I
25 think the best thing that could happen to this country would be to be forced

1 to adopt an energy policy of conservation and alternative energy and just
2 sucking every drop out of the ground as fast as possible is not leading us
3 to that. Leaving the oil and the gas in the ground is like leaving it in a
4 bank. I'm sure there will be a time further down the road when we will need
5 it, and when it can be used for something better than just running--gas
6 guzzle our cars around.

7 On a personal level, I resent being asked to sacrifice my quality of
8 life for the nation's greed. I think you will find that the people who live
9 here in Homer live here because it is a very special place. I mean that.
10 I personally wouldn't live anywhere else. Anyone who has spent any time in
11 the Kenai/Nikiski area will notice that there is a real contrast between the
12 two areas. I don't particularly like to generalize about people because there
13 are good and bad people anywhere, but there is a noticeable contrast and the
14 people up there have a--seem to have different values from the people living
15 in Homer because they live there for different reasons. As I said, I fish
16 in the Inlet, and my--I have beach sites which are closer to the northern
17 Peninsula than they are to Homer. Um, I had some experiences this summer where
18 people from that area were coming to the beach by boat where I fish. Ah, they
19 were coming to hunt and to subsistence fish. Um, the fishermen who came from
20 that--I have to use quotation marks--all left a tremendous amount of garbage
21 all over the beach. The hunters that came, stole some of my fishing gear,
22 buoys, and anchors, and broke into my neighbor's cabin and stole some things
23 from there. I just give you this as an example of some of the impacts associated
24 with oil development. They are examples of a loss of quality of life, which
25 is bleakly referred to in the EIS, and economic losses. Of course, loosing

1 buoys and anchors is a minor economic loss compared to what would happen if
2 there was a major oil spill, but it impacts me. It meant that I lost about--
3 well, it was a major loss for me. I have a small fishing operation. I just
4 give that as an example because I don't want those things happening here in
5 Homer, and I feel very strongly about it. Thank you. Are there any questions?

6 MRS. WUNNICKE: Are there any questions?

7 MR. JONES: Um, I didn't quite get the connection between your loss to
8 some people and the oil industry. I fail to make the connection there.

9 MS. LORD: Most of the people in the Kenai and North Kenai area are
10 either directly dependent or independent on the oil industry and they, um--the
11 people from that area use the Inlet for recreational purposes, hunting, fishing,
12 and so on. I know that--because I know--not because I met the subsistence
13 fisherman who came to my beach, but because my neighbor's did, that they were
14 employees of the oil industry. I know that at least some of the hunters, maybe
15 not the ones who stole the fish, but some of the hunters who were hunting in my
16 area and who were--did successfully hunt moose and bear, were from Louisiana.
17 They were here on temporary oil-related jobs, and they did not share what we
18 feel here in the Homer area, a concern for our country. That's--I'm not
19 trying to say that everyone who works for the oil industry doesn't care about
20 our beaches and our wildlife and each other because, I'm sure, most of them
21 do. It's an impact that can't be measured, but it's there.

22 MR. JONES: Thank you. That clarified it for me.

23 MRS. WUNNICKE: How long have you been a commercial fisherman?

24 MS. LORD: Ah, I've been a commercial fisherman only for the last two
25 years. I've lived here in Homer for seven years. I was in business here in

1 Homer before I sold my business to fish.

2 MRS. WUNNICKE: Thank you. Mr. Reed:

3 MR. JERRY REED: Ah, relative to your comments about the proposal about
4 the lower Cook Inlet as a marine sanctuary, my understanding--correct me if
5 I'm wrong, maybe you have some information that I don't--NOAA operates--they
6 have a great number of potential locations that are identified possibly for
7 marine sanctuaries, but are currently⁹ on the inactive list and there is a
8 relatively small number of potential sites that are on the active list. I
9 was wondering if you know at this time where the lower Cook Inlet stands and
10 also, ah, what are the--what is the--what are the limits to this sanctuary?

11 MS. LORD: Ah, you are correct. There is a large list of inactive
12 marine sanctuary nominations. There are only seven which they are considering
13 in the whole country. I believe those are the figures. So the Cook Inlet
14 is in the inactive status, and I have no idea when they plan to study it and
15 if they do, but it has been nominated, and I believe they haven't thrown it
16 out. They haven't said they won't study it, but they haven't proceeded with
17 anything. Um, what would happen if it became a marine sanctuary depends on
18 which--what values its chosen to be a marine sanctuary for and it might or
19 might not preclude oil and gas development. It would depend on--it would be
20 very individual to the area, and I can't say what NOAA might decide on that.

21 MRS. WUNNICKE: Thank you.

22 MS. LORD: Thank you.

23 MRS. WUNNICKE: Has Mr. Frank Tupper come in? (No response). How about
24 Mr. Stonorov? (No response) Mr. George Ripley?

25 MR. GEORGE RIPLEY: My name is George Ripley, and I am a cattle rancher

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1 here in Homer. Ah, I wish to see no further lease sales in the lower Cook
2 Inlet at this time. The major uses of the lower Cook Inlet are presently
3 incompatible with the oil industry. I am very concerned about negative
4 cultural and environmental impact on the Kenai Peninsula and in the waters
5 about it due to the oil related industry. I want the oil industry to be
6 forced to step very slowly and carefully when and if entering and working in
7 this area. I want them to be responsible to the needs and wishes of the
8 community in which they would be a guest. The oil industry has a long record
9 of unavoidable adverse environmental effects. We don't have to go far to
10 find examples. Just this morning by coincidence, I picked up this book
11 entitled "A small history of the western Kenai" and read in an article by
12 Lance Peterson, who was at one time a resident of Kenai. He moved there in
13 1953; he's been in Alaska since 1943, and he has since moved to Homer. "In
14 1950, Kenai was about as modern as a typical rural town of 1850. Just
15 25 years later contemporary American architecture and culture have engulfed
16 Kenai. Except for the airport, there is little difference between Kenai and
17 a town of comparable size anywhere in America. Somewhere in the last dozen
18 years of Progress (with a capital P) along with the million-odd dollars, Kenai
19 has mislaid the tangibles of far greater value such as stability and a sense
20 of community." Skip a paragraph. "In the past a stable Kenai resulted from
21 an influx of people seeking a good place to live. A fragmented Kenai was the
22 result of a transient boom population seeking economic profit. The oil boom
23 brought people from all over the United States. Some found Kenai a good
24 place to live and settle there. Others helped to transform Kenai into a copy
25 of what they had known before and then went away. The result was a bland

1 hodgepodge of architectures and way of life, typified by the impersonal
2 shopping mall." I don't know the future of Kenai, but I do know I feel
3 disoriented when I go to Kenai these days. Geographically, it is still a good
4 place to live. The sweeping sky and the solid mountains haven't changed--
5 Kenai has. Along those same lines, um, I would like to buttress Nancy Lord's
6 comment about the type, the type of residence that you might find a boom town
7 such as North Kenai. Ah, probably 9 years ago I was talking with a Homer
8 fisherman named Glenn Carrol (ph). I'm sorry he isn't here to hear me quote
9 him, but he, ah, he said that he grew up in this town, and the basketball team
10 use to travel all around the state to play in various communities. North
11 Kenai, he said, was the only community where they had to face any unsportmanlike
12 behavior amongst the residents. He said that high school students came on the
13 bus and hauled him to fight. Ah, I think that is what the attitude that
14 Nancy was trying to convey.

15 Culturally, oil field workers are legendary for their boomtown roughing-
16 type characters and environmentally, the industry necessitates large
17 industrial plants on several fronts. One of the most environmentally adverse
18 of which is the pipeline trunk, which must cut a permanent and massive section
19 line through a previous wilderness. This unavoidable scar allows easy access
20 of man to beast, thus irretrievably and irreversably altering a wild
21 environment. An environment, wild environment, appreciated by millions to be
22 the true Alaska. A wild environment which was the true Alaska until the 70's
23 brought in the oil pipeline. Alaska has been changed irretrievably and
24 irreversably since 1970 began oil development on the North Slope. I'm against
25 increasing this change, this impact, in this part of the State until there

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1 has been adequate time to appraise and prepare for all the effects. We are
2 not culturally prepared for its effects. For instance, not prepared for the
3 rapid swelling of the local population by cheechako transient workers who will
4 need fast, cheap housing. Neither we nor the oil industry are prepared
5 environmentally in the event of a spill. The Glacier Queen oil spill in
6 Seldovia Bay--and I forget the year. You probably have the figures--proved
7 technology's lack of capability in containing an oil spill in these waters.
8 Of course, no environment is ever ready for an oil spill. This environment,
9 however, engenders a very important renewable resource in its fisheries.
10 Others here will stress the percentages from the EIS Environmental Impact
11 Statement of the likelihood of an oil spill. 95 percent, I believe. A very
12 high risk to our fisheries. This town's primary and currently renewable
13 livelihood.

14 As an Alternative, I will say, wait until oil spill technology and our
15 ground floor cultural base catches up with and can cope with the major oil
16 impact in the lower Cook Inlet. I will say again, the oil will never lose
17 value where it is. We are not prepared environmentally and neither are the
18 oil--okay. I've already read that. (Laughter) I'll send in a copy of this.

19 In closing, I would like to quote Sander Clinton Anderson of New
20 Mexico as quoted in the well known text for the environment, The Quiet Crisis.
21 He says, "Wilderness" and let's consider for the time being that any undeveloped
22 oil grounds are wilderness, "Wilderness is an anchor to the windward. Knowing
23 it is there, we can also know that it is a rich nation, tending our resources
24 as we should. Not of people in despair (as it sometimes seems these days)
25 searching every last nook and cranny of our land for a board of lumber, a barrel

1 of oil, a blade of grass or a tank of water." Thank you.

2 MRS. WUNNICKE: Does the panel have any questions of Mr. Ripley?

3 (No response). Mr. Michael Coumbe? C--O--U--M--B--E. Mr. Michael Coumbe.

4 UNIDENTIFIED PERSON: I think he is out of town. I think he probably
5 intends to submit a written testimony.

6 MRS. WUNNICKE: Okay. Thank you. Mr. Carlos Freeman. (No response)
7 Gerogia Linea Hodge. I beg your pardon. Okay, you are Mr. Freeman?

8 MR. CARLOS FREEMAN: Yeah. I am a fisherman and a land surveyor. I've
9 been a resident of Homer for ten years and a fisherman for 20 years. I'm
10 depending on part of my income from fishing. The Homer's economy is largely
11 based on fishing, as you know. I personally find it hard to imagine anything
12 that is less compatible than fish and wildlife and petroleum. I personally
13 have witnessed two oil spills in California, and was involved in helping clean
14 up on one of them and I took films of the damage that was caused by the spill
15 and the resultant death to wildlife. Anyone having the ill fortune of
16 witnessing the spill would most certainly understand the concern I have and
17 I'm sure a lot of us have for an oil spill of any sort here. I don't feel
18 we can risk something of that sort here. I truly hope that this sale is not
19 allowed and that fish and wildlife are not endangered in any way and that the
20 total well being of this area is not endangered. That's basically all I have
21 to say. Thank you.

22 MRS. WUNNICKE: Thank you, Mr. Freeman. Any questions of Mr. Freeman.

23 MR. JONES: Ah, Mr. Freeman, the bottom line then of yours was not to
24 delay, but to actually cancel the sale?

25 MR. FREEMAN: Right.

1 MRS. WUNNICKE: Georgia Lennea Hodge?

2 MS. GEORGIA LENNEA HODGE: Good afternoon. I'm a resident of Homer,
3 and I have lived in Alaska for 28 years.

4 MRS. WUNNICKE: Can you speak up just a little bit, please?

5 MS. GEORGIA LENNEA HODGE: Okay. The Draft EIS reads "Groundfish,
6 halibut, and other populations of fish species may be reduced by the effects of
7 oil spills to some unquantifiable amount during the life of the proposal in
8 the Shelikof Strait area." This is especially true of halibut, a species
9 widely distributed within the Strait and its larvae are subject to pollution
10 risk for six months of the year. The salmon generally are the most vulnerable
11 of the commercial species of pollution events due to their independence on
12 inshore areas. Pink salmon populations are more susceptible to the effects of
13 pollution. The egg and larvae formed of crab species are most susceptible to
14 the effects of pollution events, although the cumulative effects of the
15 increased oil and gas production and transportation could directly affect adult
16 crab populations to an unknown extent to contamination or reduction of food
17 sources. We depend economically on a fishing industry, and the work involved
18 with oil development and the related industries are far too high. Homer is
19 one of the most beautiful communities in the world as the growth of our tourism
20 industry indicates. I am sensitive to my environment and will strive to
21 preserve the quality of life as it is today. As a local business person, a
22 native Alaskan, and a private citizen of Homer, I want it on record that I
23 strongly oppose the OCS oil and gas lease sale no. 60.

24 MRS. WUNNICKE: Any questions of Ms. Hodge? (No response). Thank you.
25 Mr. Tupper? Mr. Stunorov? Mr. Bob Schiro? S--C--H--I--R--O. Mr. Ray W. Hodge?

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1 MR. RAY W. HODGE: I am a concerned citizen and business owner of the
2 local area here. I am opposed to the OCS lease sale number 60 for a number
3 of reasons, only a few of which I will have time to cover. I think my feelings
4 are also shared by the majority of people in this area. I own a foodstore right
5 down town and in the last two weeks have seen 100 of my customers sign a
6 petition that says, "No, we do not want any lease sale in our area." I feel
7 this represents a large, if not a majoral, part of the local population. Most
8 of the people I know in this town live here because it is a very beautiful place
9 to be and the natural resources are plentiful and easy to come by. Most of the
10 people that I know depend on the sea life in the Bay for a sizeable portion of
11 their food. If you attack this food chain from the very bottom--in other words,
12 oil spills and production pollutions--you harm or eliminate the populations of
13 sea life that I and many others of this area depend on.

14 Petroleum is not what I intend to digest with my meals, yet it remains
15 in the ecosystem and often times compounded adverse effects in the upper levels
16 of the food chain, which is me. The Impact Statement refers to a 96% chance
17 of a spill of 1,000 gallons. It refers to regular pollution emitted from the
18 production of the exploration rigs, and this is weighed against a 5 percent
19 chance of finding amarketable quantity of oil. If you also take into consideration
20 the amount of opposition that you will receive during these hearings and the
21 fact that three-fourths of the people in this area, support no OCS activities
22 here, I call on you to halt this oil lease sale completely. The damage that
23 will occur from oil and gas activity in this area clearly offsets the benefits,
24 if you wish to call them that, that would be had during the relatively short
25 life span of the lease sale.

1 Is it really in the national interest to develop this area? I feel that
2 national interest should be to reduce our dependence on oil in general, not
3 just for imported oil. If we allow ourselves to continue as a gas-guzzling
4 nation, there will be no end to the environmental damages associated with this.
5 These are just a few of the reasons I along with a majority of the people
6 in this town oppose oil activity in this area and call for a halt to oil and
7 gas lease sale number 60.

8 MRS. WUNNICKE: Any questions of Mr. Hodge? (No response). We're
9 running well ahead of time, so I am going to call still in order in which you
10 signed up to testify, but that doesn't mean we won't come back. Is Mr. Demurs
11 here? D--E--M--U--R--S.

12 MR. GREG DEMURS: Mrs. Wunnicke and members of the panel. As I gaze
13 out through these windows here today, I see spread before me a virtual
14 cornucopia of natural wealth and beauty; forests, and mountains and valleys
15 still alive with game; rivers running wild, undamed and clear; and the waters
16 of Kachemak Bay and Cook Inlet. It's from this land that I draw my strength
17 for body and spirit. It gives me shelter, warmth and nourishment. As stewards
18 of this land, we are obligated to manage our resources wisely, for only in so
19 doing will the land continue to replenish itself through the complex inter-
20 relationships of all things we call the "web of life."

21 Now we are faced by a management decision. Should we attempt to
22 retrieve the oil and gas resources which lie beneath the ocean floor of this
23 region? It is a complex issue. On the one hand, the nation needs oil for
24 it is the substance we have come to rely on to keep the cogs of our
25 industrialized world turning. On the other hand, oil and gas development poses

1 very real and hazardous risks to our environment and quality of life. In
2 order to help us come to a decision on this matter, perhaps it would be helpful
3 to put the relationship between man and his environment into a clearer
4 perspective. If one imagines the 15 billion or so years since the origin of
5 the universe as being broken down into a calender of 12 months, the emergence
6 of man would occupy only the final 10 seconds of the final minute of the final
7 hour of the 12th month. We must ask ourselves now whether we are willing to
8 jeopardize the riches of eons of evolution for the short term benefits which
9 a finite resource can bring. I have come to the conclusion that we should not.

10 In reviewing the Draft Environmental Impact Statement, I came across
11 several points of particular concern to me. The first and foremost is the
12 high probability of oil spills which would occur if the proposal were carried
13 out. Four spills in excess of 1,000 gallons are projected for lease sale
14 number 60. There is a 98 percent chance that at least one spill of this
15 magnitude will occur. However, when the effects of lease sale 60 plus the
16 existing leases and tanker activities in lower Cook Inlet are combined, the
17 cumulative impacts become much more threatening. The expected number of major
18 spills increases to eleven, with a 99% (plus) chance of one or more major
19 spills occurring. It is the cumulative effects of oil development which we
20 must look at closely. By opening yet another area to oil development, we
21 are greatly increasing the potential consequences of chronic oil spills
22 contamination.

23 Along with the extremely high probability of oil spills, it should be
24 noted that oil spill containment measures are virtually futile in this
25 environment. The technology simply does not exist. Containment booms are

1 functionally only in seas less than five or six feet; skimmers in seas less than
2 two or three feet. Very rarely are the waters this calm in the lower Cook Inlet
3 and Shelikof Strait. Tidal action alone will usually abort containment efforts.
4 Furthermore, studies have shown that biodegradation of oil and evaporative
5 losses are slowed by as much as 90% in cold temperatures, such as are present
6 here.

7 The consequences of major and/or chronic spills are great indeed. All
8 forms of marine life stand to suffer: 25 - 75% mortality of a bird population
9 would occur in the Shelikof Strait, the Barren Islands, Kupreanof Strait, and
10 Whale Passage.

11 Among sea mammals, sea otters and harbor seals are perhaps the most
12 vulnerable. This is particularly sad in the case of sea otters, which are
13 now finally recovering from near extinction due to overharvesting in the
14 18th and 19th centuries.

15 Spills could also affect whales, particularly the endangered grey, fin
16 humpback and possibly sea shales, which frequent nearshore habitats of the
17 northern Kodiak Archipelago and the Barren Islands. There is no evidence that
18 cetaceans are able to detect hydrocarbon pollution, thus these benthic
19 feeders stand to be directly contaminated by the ingestion of oil contaminated
20 food.

21 Major commercial, recreational, and subsistence fishing activities
22 stand to be adversely impacted by proposed lease sale activities. There would
23 probably be unavoidable fish population reductions. Chronic pollution and/or
24 habitat alteration could affect fish populations, probably for the life of the
25 project and the recovery period afterwards. Crab, shrimp, salmon, herring,

1 halibut and other bottomfish and clams are commercial species which could be
2 adversely impacted by oil spills and oil related activities. Larvae forms of
3 all of these species are extremely sensitive to oil contamination. The risks
4 are particularly high to the larvae of halibut, which are susceptible floating
5 on the surface six months of the year. I think the proposal to build an
6 oil storage and tanker loading facility in Anchor Point, directly bordering
7 on an area which has been identified by the Alaska Department of Fish and
8 Game, as critical to king crab reproduction is ludicrous, and shows extreme
9 disregard for the future of that species in this area. The fact that the
10 lease sale area is virtually surrounded by shoreline in close proximity assures
11 a 94 percent chance of an oil spill contaminating coastal habitats within 10
12 days of occurrence. Pink salmon, the primary commercial salmon species
13 in this area, are particularly vulnerable in this regard, due to their high
14 degree of intertidal spawning. Other adverse impacts relating to commercial
15 fishing include loss of fishing gear, loss of fishing area, competition for
16 labor and materials, inability to market fish due to flavor tainting, and loss
17 of fishing time.

18 Furthermore, subsistence and recreational fishermen, which comprize the
19 majority of local inhabitants, will suffer from shortages of customary and
20 traditional resources, and increased cost in time and money to replace those
21 losses.

22 Aside from the biological implications of oil development, there is the
23 whole realm of social and cultural impacts. I'm sure we all have our own
24 reasons for wanting to live near Homer, Alaska, but high on the list of most
25 of us is the fact that this is one of the most beautiful spots in the world.

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1 I doubt if many of us would care to see Homer become another ugly little
2 boom town like Kenai or Fairbanks. Next to commercial fishing, tourism is
3 Homer's most important industry. Oil development here could only hurt this
4 vital part of our economy.

5 In the Draft Environmental Impact Statement, it states that the
6 Secretary of Interior should disapprove a development and production plan if
7 implementation of the plan would probably cause serious harm to the marine,
8 coastal, or human environment. I think it is clear that such a case exists
9 here. Thank you.

10 MRS. WUNNICKE: Any question of Mr. Demurs? (No response). Thank you.
11 Mr. Phillip Brudie? Phillip Brudie? Mr. Bill Bledsoe, or anyone representing
12 Mr. Bledsoe? Julie Cesarini? These are all people who are signed up for
13 after the dinner hour, but I will run through them quickly to see if anyone
14 is here and wants to testify earlier. Marilyn Hammond? Yule Kilcher?
15 Is Mr. Kilcher here? Um, a representative of the Cook Inlet Crab Fisherman?
16 Anyone representing a Cook Inlet Crab Fisherman? Mr. Walter Phillips? Mr.
17 Earl Cooper? Ms. Joy Post? Success.

18 MS. JOY POST: I am speaking as an owner of a business in Homer and as a
19 subsistence fisherwoman.

20 The existing and the proposed leasing activities are most likely to
21 result in 11 major oil spills which have about a 99.5 chance of impacting the
22 surrounding coastal habitat. The project number of spills means that the
23 habitats may actually become continual impacts for the life of the project.
24 Spilled oil could persist for up to 10 years in the area from English Bay to
25 the Fox River area on the south side of Kachemak Bay. For you people who are

1 not familiar with this, it's the whole area across there that you can see.
2 Much of this land is designated as park land. There are salmon streams and
3 fish hatcheries located on that side of the Bay that would be affected
4 by a spill. That side is also the major fishing area for herring and tanner
5 crabs. It's an area that is vital to the reproduction of the king crab,
6 shrimp and the dungeness crab.

7 No definite studies have been made on the effects of oil to the effects
8 of the larvae of halibut. Studies on similar fish have shown the effects to
9 be lethal. The bottom fish industry, one just getting started here, would be
10 severely as a result of an oil spill for the life of the project, which is
11 26 years, and the recovery period afterwards. No one knows how long a period
12 of time the recovery period would be. For salmon, a single accident or closely
13 spaced ones would result in a major setback of this resource. Recovery would
14 be slow and difficult. Crab. A major spill would severely reduce the
15 population. The egg and larvae would receive the impacts. Should the food
16 sources become contaminated, the adult population would be directly affected.
17 Shrimp. According to the Impact Statement, the local shrimp stocks would
18 decline. Chronic, low level discharges of oil could result in a long term
19 reduction of the shrimp population in areas where shipping would take place.
20 Clams. Because of the high number of probable spills, clam populations could be
21 reduced during the life of the project. Recovery rates may be 10 plus years
22 after the oil industry is through.

23 Where oil spills have occurred, some research has been done immediately
24 following the spill to study the effects of the oil and marine life. Long
25 term studies and the long term effects of the oil on marine life and how long

1 it takes various forms of marine life to recover and resume normal life
2 patterns at pre-spill population levels is an unknown factor today.

3 Seven years after a spill occurred near West Falmouth, Massachusetts, it
4 was found that the crab population had not made a significant recovery.
5 Spills can wash up on the shores or break up before reaching the shores,
6 depositing the oil on the sea bottom and polluting areas where fish breed.
7 At times chemicals will be dumped on oil slicks to help break them up. Today
8 no one knows if these chemicals do as much harm or more harm to the marine life
9 than the oil itself. I am unclear as to what methods would be taken here, and
10 what long range damage would be done. How much of this damage irreversible
11 not only from the oil but from chemicals is really unknown. The area under
12 consideration for this sale has rough seas and strong winds much of the time.
13 The Impact Statement points out that the methods to contain spills can only be
14 used when seas are below six feet, providing a maximum amount of equipment is
15 available. The Impact Statement then goes on to say, from past experiences at
16 other drills sites, only the minimum amount of equipment was available. An
17 oil spill on the North Sea which resulted in a slick 32 miles wide and 37 miles
18 long, 11 vessels, 6,000 yards of inflatable plastic boom could do nothing to
19 confine the oil due to the high waves. One Coast Guard officer sent to the
20 scene stated, "There wasn't enough equipment in the whole world to clean up
21 that mess."

22 The blowout in the Gulf of Mexico caused a slick 300 miles by 25 miles
23 and the wind carried this slick 600 miles north.

24 One could go on and on with these figures, but my point is that the chance
25 of containing a spill out here would be practically impossible resulting in

1 damage to the fishing industry, which would be devastating. Pollution by oil
2 spills continues to increase months after a spill occurs. The reason for this
3 is that the stability of the sea bottom decreases due to the erosion that
4 takes place after the plants have been killed. The pollution then tends to
5 spread out further. This happens not only on the sea bottom, but in streams
6 and rivers and marsh areas. In a study conducted seven months after the
7 West Falmouth Oil spill, the water showed 95% of the marine life as dead and
8 dying. Nine months after the spill, there was still no signs of repopulation
9 taking place.

10 The Impact Statement says that there is a low probability that major
11 earthquakes, volcano interruptions and tidal waves will not occur. These
12 occurrences would have a major effect on drilling operations, storage tanks
13 and pipelines leadings to more major spills.

14 The fishing industry is a major industry in this area. The town of
15 Homer is supported by this industry. The fishermen live here, pay taxes here,
16 shop in our stores, keep their boats here, and leave from here to go fishing.
17 Many of the boats fish in the Bay, other in the Inlet. Drilling for oil here
18 would be wrong. The resources obtained from the sea by the fishermen would
19 be harmed, depleted in some cases, and a whole way of life could be wiped out
20 for a resources that is not renewable. I think it is wrong to even consider
21 taking these measures that will harm such an industry. Our world population
22 is increasing and more and more people are having to look to the sea for
23 protein that is necessary in a diet. The oceans belong to all of us, not
24 just to oil companies. At one time people thought that the oceans were too
25 vast an area to harm. Today we know differently but countries, states, cities

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1 and oil companies continue to pollute the oceans and allow it to be done
2 because the dollar benefits seem to outweigh all else. The oil industry keeps
3 profiting and polluting and somehow some people think that this is okay. The
4 emphasis is still on clean-up operations without really knowing, because there
5 isn't much data as to the long term effects on marine life by oil spills and
6 methods use to clean them up. We don't have the technology today to contain
7 the spills, to avoid blowouts, and to quickly release the pressure to
8 alleviate blowouts. The impact of all of this to the marine environment and
9 coastal areas is great and the long term effects are unknown.

10 This report made no mention of the impact on subsistence fishermen in
11 the Homer area although it mentions villages across the Bay. The statement
12 says that the impact from oil and gas production on fish harvested for subsistence
13 purposes are assessed at a high probability of risk from oil spill incidents.
14 This year in Homer approximately 215 dip net permits and 530 set net permits
15 were issued to individuals and families for subsistence fishing.

16 Do I read the Statement correctly and that it says, "One owner or
17 operator would be required to carry \$35,000,000 in insurance, and that would
18 be the maximum amount and that a claim could not be filed after six years from
19 the date of an oil spill?" Thirty-five million would hardly cover the costs
20 of cleanup, it certainly would not begin to cover the loss to the fisherman
21 in this area for even part of a season. The crab, the shrimp, the halibut
22 populations and the salmon could all be destroyed by one major spill and many
23 of these would not make sufficient recoveries to be commercially fished for a
24 longer period of time than six years, yet no compensation at all would be
25 available after this six year period. I doubt limits would be place on the

1 profits the same companies would be allowed to make.

2 Fishermen in this area will lose an area to fish in and sea lanes will
3 be closed to them. Some areas of the Inlet may be closed to commercial fishing
4 altogether. The competition for docking and dockside space will be keen, and
5 no doubt, as in Scotland, oil will take preference over fishing boats at
6 the docks.

7 Another industry I would like to touch on is recreation and tourism.⁹
8 As Alaska has grown in population, Homer has become a playground for more
9 and more Alaskan people who want to go to a beach area for fishing, boating
10 and camping. Valdez was once an area people went to, but not today. That
11 leaves Homer and Seward, the only two areas today in the State where people
12 can drive to without having to make train or boat reservations and be held
13 to schedules. I believe it was in the Tams Report that stated "25%
14 of the income in Homer is the result of tourism." Fishing would be about 75
15 percent. To my knowledge, no recent studies have been done on tourism in
16 Homer, no recommendations have been sought out specifically by the City as to
17 ways to initiate more tourism to provide better facilities for tourists, et
18 cetera. Probably the City has lost income because they have not been too
19 concerned about this. When the gasline goes through, even more people will be
20 moving to this State and many of these people, plus the people who live here
21 now, will be potential tourists in this area. People come here every summer
22 to experience our beautiful town, camp on the Spit, go fishing, and now
23 cruise ships are starting to come here on a regular basis. We hope soon the
24 park will be developed across the Bay which will make Homer a supply base for
25 the people that will use that park. It's a good industry; a clean industry and

1 another that is renewable. I don't believe the Impact Statement covers this
2 at all sufficiently. In checking yesterday at the museum, I noted that between
3 --in the last month 98 tourists from other states have signed the guest book,
4 23 tourists represented 10 foreign countries that signed the guest book. To me
5 this is quite impressive when you realize it is not the tourist season. Homer
6 over a period of years has become an area where many retired people have bought
7 land and are living on it. Many more people in this State have acquired land
8 here and planned to make this their home upon retirement. Will the retired
9 people who make up of about 25 percent of the population here be able to with-
10 stand the inflation that rapid growth causes. I don't know why this great
11 group of people in our town has been overlooked in all the studies and reports
12 that have been done. But it is an industry and we seem to know a little about
13 it.

14 A report I read in Scotland, a land much like our own was very thought-
15 provoking to me. This report was done after the oil industry had moved in.
16 The Scots experienced little in the way of employment by the oil industry.
17 Oil people traditionally import their own workers. The Impact Statement makes a
18 point of this as happening here, too. The Scots have been hardest hit by the
19 rates of inflation because wages there are low. The wages in the Homer area
20 are also low. The destruction of the landscape has been severe, especially in
21 coastal towns. The Scots do not get along with the oil people. The Impact
22 Statement refers to this as happening in the Homer area as well. Aberdeen
23 which was the third largest fishing port in Great Britain has been severely
24 affected. Docks were developed first for the oil industry and fishing space
25 then came second. In many coastal towns and villages today the fishing boats

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1 are not given spaces at the docks. There is no compatibility between the oil
2 and the fishing craft of the country. The pipeline in the North Sea could
3 only be layed during the summer when the weather was calm. If that happens
4 here, what impact will this have on the fishing and recreational crafts?

5 Coastal towns closer to offshore fields are the places most vulnerable
6 to change. Oil producers want support facilities close enough to minimize
7 their costs. People in Homer have been surveyed and only 11 percent of the
8 people living here want to see rapid changes and growth. Seventy-four percent
9 of the people here say they don't want Homer as a supply base for OCS or as a
10 place for petrochemical industries. 91.8 percent of the population in Homer
11 would encourage fishing.

12 I don't think this Impact Statement has even scratched the surface of
13 what effects oil being discovered would actually have on Homer. What happens
14 onshore after a discovery is just the end of a chain reaction. The decisions
15 will be made quickly by the oil companies in order that they can gain the most
16 profit for their investment. This is the time that tankers versus pipelines
17 refineries veres shipping, et cetera, those kind of decisions are made.
18 Minimize the cost and maximize the profit is the ideal for the oil company.
19 Many small coastal towns now in Scotland have all the major problems of large
20 industrial cities. We don't need city problems here. Today we don't have
21 water and sewer services in many residential areas. We have no storm sewers
22 or adequate drainage plans worked out. We have marginal soils, mudslides
23 occur occasionally as well as flooding. It is not an area that could accommodate
24 rapid population growth or industrial growth that is oil related. We have
25 good industries here that are dependent on clean water, clean air and a beautiful

1 environment, and they are growing. We don't have any organized crime, drug
2 problems that are severe, massage parlors, or other undesirable things that
3 combat zones have where oil has moved in. Our income may not be high, but
4 we know we are rich. And for those of you who are not familiar with Alaska,
5 go to Fairbanks, go to Anchorage, go to Valdez, and you will see what I am
6 talking about. We have beautiful scenery, we get our food from the ocean,
7 we have berries to pick, gardens to grow and the availability of both summer
8 and winter sports. There is no justification for wiping out our present
9 industries or our renewable resources. There is no justification to do damage
10 to our environment: marine, coastal and human. I am opposed to the sale and
11 thank you. I would like to submit for the record the editorial that appeared
12 in last week's Homer paper. I would also like to submit a letter that appeared
13 in the New York Times, written this summer by a young man that came up here.
14 He camped on the Spit, wrote this letter at home, and I don't know how the
15 New York Times got ahold of it, but they published it. I think what he--an
16 outsider has to say about Homer is the way most of us feel about it. Thank you.

17 MRS. WUNNICKE: Any questions of Ms. Post? Mr. Reed:

18 MR. REED: Just to get the record straight, are you opposed to the sale
19 totally or to only its present configuration and if you are not opposed to it
20 totally, could you suggest, or would you suggest, some other configuration?

21 MS. POST: I am opposed to the sale totally. (Audience applauds).

22 MRS. WUNNICKE: Joyce Dey? D--E--Y. Is there a representative of
23 KANA here. Kodiak--

24 MR. OSBORNE: I'm waiting for the results from Kodiak, and so I
25 won't be prepared until after dinner.

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1 MRS. WUNNICKE: All right. Fine. I just want as many people who are
2 here who are signed up after dinner, if you want to take this opportunity to
3 go ahead and testify. Eileen Morrou? M--O--R--R--O--U. Andre V. Marrou?
4 Gail Phillips? Carol Griswold? Dean Heusel?

5 MR. DEAN HEUSEL: Here.

6 MRS. WUNNICKE: I think the members of the panel are interested in having
7 a nice seat, too, so you are helping it very much.

8 MR. DEAN HEUSEL: What I have to say is very short and very simple.
9 As one who has chosen to make this beautiful place my home, I am not really
10 interested in supplying cash-and-carry jobs for Texans, nor am I interested
11 in creating intimidating profits for oil companies; nor am I interested in
12 providing more gasoline for an energy unconscious America.

13 I am interested in supplying our local fishing economy with a safe
14 environment for continued renewable fishing resources. I believe that the
15 proposed oil lease sale threatens this marine environment.

16 Homer is a most unique area, and while I see that continued economic
17 growth is inevitable, I also see that it must be undertaken with great fore-
18 sight and wise restraint, and not with the simple attitude that bigger is
19 better.

20 I oppose oil development in the lower Cook Inlet. Thank you.

21 MRS. WUNNICKE: Thank you, Mr. Heusel. Any questions? (No response)
22 (Audience applauds). Mr. Gregory Ragon? R--A--G--O--N. Jane Nevitt?

23 MR. BOB SCHIRO: I'll speak. I was to speak earlier.

24 MRS. WUNNICKE: Ah, who are you?

25 MR. SCHIRO: My name is Bob Schiro.

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1 MRS. WUNNICKE: Oh, Schiro. Mr. Schiro, you are a commercial fisherman?

2 MR. SCHIRO: Yeah, I am a commercial fisherman here, and one thing I
3 happen to notice on the Environmental Impact Statement was that there was no
4 recognition of the (Indiscernible) grounds that exist of Augustine Island.
5 Now, ah, I've fished halibut in other places and this year, I fished here.
6 There were perhaps 50 boats fishing those waters over there. Now, I don't know
7 how many people would be supported by those 50 boats, but you have the
8 individuals fishing on the boats, their families, the cannery workers and the
9 spin-off in town. I just wanted to make that point, that that is one resource
10 that would be very much endangered by any sort of exploratory oil spill or after
11 the fields have been developed over there.

12 I guess, ah, my main feelings as a fisherman with this drilling is that
13 it doesn't make very good sense. When I read the Environmental Impact Statement
14 it looks to me like it says that there is a 5 percent chance of there being
15 a recoverable amount of oil out there. Well, what we are being asked to trade
16 that 5 percent chance is basically the right to fish here and when I say
17 "here" I mean Kachemak Bay. Now we have had oil exploration here for quite a
18 few years and I would estimate that there is probably about 7,000 dungeness
19 pots that fish out here in the mouth of the Bay. Ah, in a year, the rig
20 tenders are going back and forth, the average loss I would put at about 20
21 percent. That means that after you got done fishing and you pulled your gear,
22 you would have a loss of about 20 percent. Now, not all that loss is
23 attributable to rig tenders. I would say that 10 percent of that loss is
24 attributable to ship traffic, primarily rig tenders. Now, in any kind of
25 developmental process, we are going to have more traffic than we have had in

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1 past because we only had two small rigs out there and they weren't being
2 serviced all the time which they would be if you had the complete sale up and
3 down. So right there, basically what you are doing is, ah, you are taking what
4 is right now a marginable profitable fishery that dungeness fishery for us--
5 this year we were getting 50¢ a pound. It fluctuates and what we will be doing
6 by bringing rig tenders through there is making it uneconomical feasible for
7 us to fish out there. Now already you have a situation where behind the Spit
8 it is not profitable to fish for about a three or four mile radius because
9 boats come in and there isn't adequate space for them to unload at the dock
10 and it is too much work for them to drop their anchor so they circle. They
11 circle at night, and so, during our tanner season, which is the way--it's
12 dark almost all the time from, oh, four, you know, until eight in the morning,
13 you have those boats circling out there. Well, come morning there's maybe
14 50 pots missing because they just cut them off. Basically, what happens is,
15 we can't fish behind the Spit any longer, and that's about a three mile radius.
16 That's a lot of crabbing in that grounds. That happens--right now I've got my
17 gear--I want to bring my gear closer to the Spit, but I have to stay about four
18 miles off the Spit or else the gear loss will eat me up. We are being asked
19 for the sake of the oil of a possible five percent development to give up the
20 right to fish near the Spit and also out here on the mouth. Now, theoretically,
21 we have shipping lanes. Well, unfortunately, our shipping lanes don't work
22 because if you fish in the shipping lanes, you get cut off by the rig tenders
23 and all the other ships. But the ships don't follow the shipping lanes, and
24 the shipping lanes can flip. For example, during king crab season, there's
25 a major shipping lane over there on the other side which happens to be a major

1 king crab area and so, all those pots over there are in danger. Well, this
2 area is completely covered with halibut, with dungeness gear in the center
3 part and then you get over here, and the only area that you can use, is this
4 quarry over here. It's the only area that is potentially free of gear. So,
5 right now what we do is, we fish wherever we have to and we take the loss
6 because no one is fishing in the shipping lanes and we are just losing too
7 much ground otherwise. With more development you get more boats not obeying
8 the shipping lanes. The four boats that come in here don't obey them, and
9 then the rig tenders have been the worse in my experience because the rig
10 tenders operate on schedules and so they come in--they will come in the
11 quickest way to the harbor. And then they want to get in and they want to get
12 out. They will just circle here behind the Spit, get their load of water
13 and whatever else they have to do, and then they will take off and head out.
14 And when they go to Augustine, they don't go on the south shore, they don't
15 go on the north shore, because those places are out of their way. They just
16 head out through all our gear. There's a noticeable difference. Like last
17 winter, the difference in the tanner gear lost between last winter and our
18 dungeness gear loss now is noticeable. Now, the tanner pots--

19 MRS. WUNNICKE: Are you having more loss now?

20 MR. SCHIRO: No, we are having less loss now. It's been noticeable since
21 the rig tenders have moved out because, see, there's two exploratory rigs
22 out here that are gone now. Ah, tanner gear is heavy and it doesn't move.
23 Ah, the tides don't--with dungeness gear you have a situation where the tides
24 bring kelp in and it wraps around buoys. Some of your gear is drug off by
25 that. Well, some of the gear is cut off. Tanner gear isn't like that. It

1 a heavier gear. It doesn't go anywhere, and yet, in the short tanner season,
2 I had a 10 percent gear loss in a season of four weeks. Well, I know where
3 my gear went to. Most everybody else out there fishing knew where their
4 gear went to. There's only one answer. I mean, it was cut off by the boats.
5 Now, I don't know if it was cut off by fishing boars or if it was cut off by
6 rig boats, but I do know this. The fishing boats fish during the daylight
7 hours, and the rig tenders run anytime. Also, I know a fishing boat is a whole
8 lot more maneuverable than a 150 foot rig tender. I guess that pretty much
9 covers what my main objections from personal experiences are to the sale.
10 There are a lot of environmental reasons for what's wrong with it, but as a
11 fisherman, based on what's happening, if the increase in activity makes Kachemak
12 Bay a worse and worse place to be fishing, maybe that's okay, maybe it's not.
13 maybe it's a tradeoff. Certainly to me it is not okay. It takes my ability
14 to make a living here away from me and forces me to go fishing somewhere else
15 where I don't have that conflict. To me, it doesn't appear that what we
16 stand to gain is worth it. That's based on my reading the Environmental
17 Impact Statement. Now, perhaps the chances--perhaps the oils companies aren't
18 being--maybe they found a lot of oil out there and they pulled the rigs out
19 so that--they probably have all the bidding against them or something of that
20 nature. It's hard to say. But for a five percent chance, and if those are
21 the facts, to me, I can't possibly see how it can be worth it.

22 MRS. WUNNICKE: May I ask you a question? How long have you lived in
23 Homer?

24 MR. SCHIRO: I have lived here a year. I have lived in Southeast and
25 have fished in the north.

1 MRS. WUNNICKE: Have you fished the Shelikof Straits at all?

2 MR. SCHIRO: The Shelikof Straits? No, I haven't fish the Shelikof
3 Straits.

4 MRS. WUNNICKE: You are not the one that asked then what difference in
5 population Homer's had in the last few years?

6 MR. SCHIRO: Well, I've been around Homer for a couple of years, and
7 Homer is growing tremendously. It's not a growth right now, but actually, the
8 growth has been by the oil economy, although there's a fair number of people
9 that work on the Slope and live here. But, ah, that's one area I don't think
10 the Environmental Impact Statement is correct in the growth potential for
11 Homer. I believe it had Homer doubling by the year 2,000, or something of this
12 nature, and I think probably Homer has doubled in the last six years.

13 MRS. WUNNICKE: You think very little of that was oil-related?

14 MR. SCHIRO: Yeah, at least perhaps a spin-off, oil related. You know,
15 as the economy of the State has improved, but I would say, no, most of it is
16 not directly oil related.

17 MRS. WUNNICKE: Any questions of the panel?

18 MR. ONES: I was wondering. There is a title, or a part of the law,
19 or a fishermen's compensation section in the OCS Lands Act, which is the
20 authority that these oil and gas leases to be issued under, and my understanding
21 of that section of law is that fishermen's gear fall-ups because of oil
22 development, to be compensated is to go through a claims procedure that I
23 believe NOAA, National Oceanographic Administration administers. Have you put
24 in for any claim in this area?

25 MR. SCHIRO: Well, ah, I talked to fishermen that have put in for claims

1 off of Kodiak and to my knowledge, unless it is an absolutely clear situation
2 where you can point to the offender of what cut you off, or whether some of
3 these guys that have successfully gotten their claims, realized, are guys that
4 have oil spills affect their gear. A situation like that, an oil spill, I can
5 see how we are going to be compensated, but I can't see--unless there was
6 some sort of gratus fund, a fund to which fishermen could go and say, "I
7 lost this, and this is what I wanted to be compensated for." I don't, you
8 know, see how that is going to work. Ah, I really don't see how we are going
9 to be compensated for it because you go out one day and you count your gear
10 and you go out the next day and there's 45. Who's to say where they went.

11 MR. ONES: Admittedly, it's a very hard burden that NOAA has. They have
12 to have some evidence that there is a connection that the oil development was
13 the cause, and at the same time, evidence of that effect is very hard to come
14 by.

15 MR. SCHIRO: I believe they have to have pretty good evidence from the
16 people I've talked to. I think it is a very difficult thing to prove. I
17 don't know of anybody other than the Kodiak fishermen that have successfully
18 recovered any money, and actually, that is foreign vessels cutting them off.
19 Also, there was an oil spill, I remember reading about, that they recovered.

20 MRS. WUNNICKE: Any other questions? Thank you very much. (Audience
21 applauds. Mr. Lawrence Nevitt? We will plan to go to about 5:30 and then
22 take a break for dinner. Thank you Mr. Nevitt.

23 MR. LAWRENCE NEVITT: You bet. I spend most of my summer days making
24 a living out there in the sea. I take people out charter fishing and the
25 area that we fish for halibut are out here in the middle and those are some of

1 the best halibut grounds. A major oil spill would not only hurt the halibut,
2 but it would also hurt salmon, which is another very valuable part of our
3 industry. I feel that we need some places that are still available for people
4 to enjoy their vacation time. Homer is growing to be a tourist attraction, but
5 say we take away the oil, or say we allow the oil, and it destroyed our halibut
6 salmon, or destroys the tourist industry here, that's, you know, that's denying
7 their opportunity to recreation. I guess you could say that we burn up a lot
8 of gas compared to the commercial fishermen, and I would give up that, ah,
9 going out and making my living charter fishing, because I would like to see one
10 place left that's beautiful, that people can enjoy the fishing, even their own
11 personal fishing, and if you destroy--you know, take away the charter fishing--
12 if--you know, we want to eat, and I feel that, you know, oil is a thing we eat
13 now. But if we destroy these rich grounds because there are so many food
14 processes here. There's shrimp. You know, fishing is a very valuable
15 industry to mankind and if we, you know--we can use oil now, but if we destroy
16 our fish industry here as we do in other places, you know, we are destroying
17 everything. We've got to eat.

18 MRS. WUNNICKE: How long have you been running a charter boat?

19 MR. SCHIRO: Well, this is my first year, but I commercial fished the
20 year before. If tourism died, I would go back to, you know, commercial
21 fishing, but I feel that this is a, you know, this is an excellent place.
22 Halibut is becoming a--it's becoming a large industry for halibut and salmon,
23 too. This year was very poor. Poor salmon season. I don't know if oil had
24 anything to do with it because they are drilling off of Kenai because oil is
25 a cumulative thing, but we had a good pink run. There was good pink salmon

1 fishing, but this is something to see. I would like to see an area that would
2 be left, you know, left alone because it is so rich. Those are some of the
3 best halibut fishing grounds out there and the halibut larvae does live on the
4 surface for a certain period of time, and oil would definitely affect that,
5 as it does salmon. You know, in the harbor, they're always having a hard time
6 when they come into the harbor because of the oil problem we have there and
7 lots of them are dying. We had an oil problem, an oil slick, in Tutka, ah,
8 this spring and there was a chance that a lot of the fry when they came out--
9 this was in March--were going to be affected. They said that it wasn't going
10 to affect them. Some people that I knew were working on the problem trying to
11 take care of the oil slicks said that it was pretty close, that there was a
12 lot of oil on the surface and that it could adversely affect all the salmon
13 fry coming out. Tutka is one of the more profitable reproduction areas for
14 salmon fry for the pinks.

15 MRS. WUNNICKE: There is a hatchery there, isn't there?

16 MR. SCHIRO: Right.

17 MRS. WUNNICKE: Do you know the source of that oil spill, or do you know
18 anything more about it?

19 MR. SCHIRO: No, not enough to defend it, or--but Tutka Lagoon is this
20 one place that is for one month, people that have never fished in their life,
21 can go there. They get into a boat, private boat or charter boat, can go over
22 there and have a time in their life. Shoot, in 30 minutes you can catch two
23 or three fish, six fish, and just have the thrill of your life. That's--you
24 can't go to--there's not a lot of places you can go to to have that much fun.
25 Thank you.

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1 MRS. WUNNICKE: Ah, Mr. Kilcher, welcome.

2 MR. YULE KILCHER: Thank you. I came here quite unprepared and I'm glad
3 to have a chance to say a few words. I don't want to repeat what others have
4 said, if possible. I only have heard two or three of the previous testimonies
5 with which I wholeheartedly agree. I have been a resident of the area for the
6 better part of 44 years. I have fished in the past and have been active in
7 other directions. I am mainly--want to say a few things about there hasn't
8 been a need in general about oil exploration in the lower Cook Inlet and also
9 Shelikof Strait, if that's on the program. Ah, I don't see a need to drill
10 there. I think since the impact of the oil drilling in such circumstances
11 is not fully known and granted, quite good progress has been made along those
12 lines technically as to what is concerned to drilling itself and the effects
13 of drilling, the protection of the resources, I see possibly a trend. I
14 would like to see this trend continue. But before we panic and decide we
15 have to drill in our waters here, I don't think there is a need nationally or
16 otherwise, we are still the most wasteful nation in the world. I come home
17 from duck hunting the other day from the head of the Bay, looking back at
18 the over the water, and we were lucky if we could see three or four lights.
19 It is a sea of electricity. In my opinion, total waste. There is a 1,000
20 lights down there. In my opinion, it may be waste. I don't count the fact
21 that gas prices are rising. I welcome the fact that we are becoming resource
22 conscious, what concerns energy and other resources, because this nation right
23 now is at the crossroads, and what nobody learns without hurt, we've got to
24 hurt more for lack of resources before we learn to save what we have left.
25 I would hate to see Cook Inlet being damaged in the process of a frantic

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1 search. You may have noticed, or you will notice, that there is quite a
2 polarized position here in Homer. This being the end of the road, we samples
3 of the old fashioned extreme greed, we have also samples here of people who are
4 environmentally becoming very conscious. I am not against progress, but I have
5 in the past learned that people are the ones that are the most greedy.
6 Don't have the wool pulled over the eyes by this greed. There is no need for
7 economic development in Homer. If Homer doubles again in the next ten years,
8 who will profit by it? The cannery women will still get sore feet by working
9 10 hours a day, standing on concrete for the lowest pay, shamefully, the
10 lowest pay in the country. They will still do it in the future. The
11 establishment of Homer that is of greed, ask them to come down here and they
12 will not lift a finger to alleviate the lot of those people who are working
13 the hardest to get paid the least. If Homer develops again, there is no
14 assurance that those that want more from development maybe will be out
15 maneuvered by the oil companies, but in the meantime, they will still be poor.
16 But Homer will not be Homer again as it was. So since there is quite a few
17 uncertainties, since oil in the ground may be more valuable for the whole
18 nation as well as for Alaska, in 10, 20, 30 years, if there is oil in 30 years,
19 I vote for leaving it there. (Audience applauds).

20 MRS. WUNNICKE: Thank you, Mr. Kilcher. Any questions of Mr. Kilcher.
21 (No response) Thank you. We appreciate your concern. (Audience applauds).
22 Lynn Bennett? Craig Matthews? Diane Spencer?

23 MS. DIANE SPENCER: Ah, I got here a little late, and I'm sure that many
24 of the other speakers have been much more eloquent than I could possibly be
25 in expressing reasons for keeping the oil business out of Kachemak Bay and

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1 out of Homer. I would like to go on record as a resident of Homer as being
2 totally opposed to it, um, and I think it could endanger the well being of our
3 lifestyle here and jeopardize the beauty of the environment that is so obvious.

4 I feel though that as a newcomer to the area, I probably am more justified
5 in speaking as a citizen of the U.S. rather than as a citizen of Homer because
6 I think that's what this finally comes down to is national interest as opposed
7 to Alaskan interest. It's my opinion that our country--if we could only take
8 time to try to understand Alaska rather than automatically plotting how to use
9 and consume her resources, we would probably learn a lot from her. Ah, the
10 place where a lot of people are still managing to develop rich and satisfying
11 life-styles without the benefit of luxuries that a lot of Americans have come
12 to assume are necessary. I don't mean to suggest that all Americans should go
13 without electricity and plumbing and take off on some kind of mythical moose
14 hunt, but I do think that it would be in our national interest, if we could
15 learn from the old Alaskan life-style a sense of moderation in consumption of
16 resources and renew our appreciation for creative inventiveness with limited
17 material need. Before we risk the loss of the special treasures offered by this
18 State, why not try to curb our American greed and concentrate on creatively
19 developing non-harmful and renewable energy sources, such as solar energy.

20 As a nation, I would like to see us adopt some of that stubborn Alaskan
21 independence and say to the oil companies, "We don't need all that you insist
22 upon selling us, and we don't want to wait until every last drop of oil has
23 been sucked from the earth before we seriously develop safe and viable
24 alternatives." Thank you. (Audience applauds).

25 MRS. WUNNICKE: Thank you. Mr. James Herbert of Cape Chacon, Inc?

1 Mr. Richard Knowles of Arco. Mr. Knowles, are you prepared?

2 MR. RICHARD KNOWLES: Yes, I am. My name is Richard Knowles. I am the
3 District Drilling Superintendent for Atlantic Richfield Company. I hold a
4 Master's Degree in Petroleum Engineering from the University of Texas and have
5 been involved in drilling in Alaska since 1967. I am a 10-year resident of
6 Alaska.

7 Atlantic Richfield Company has been involved in⁹ oil and gas operations
8 in Alaska since the discovery of the Swanson River Field in 1957. We drilled
9 or were partners in each of the 13 major oil or gas discoveries in Alaska.
10 We have operated in the Upper Cook Inlet since the mid-1960's.

11 We would like to express our strong support for Interior Department
12 holding Sale number 60 on scheduled as proposed as Alternative 1 in the D.E.I.S.
13 that we are speaking here of today. We have consistently stated our approval
14 of the Federal OCS Sale schedule as finalized in June of 1980. We are fully
15 supportive of this schedule and are pleased that it now appears to be firmly in
16 place. A fixed and firm sale schedule is vital to the efficiency of any
17 plan to explore for and develop domestic oil and gas reserves to replace the
18 imports that this country now suffers under.

19 As much as we are committed to efficient exploration and development, we
20 are also committed to conducting our operations in the safest possible manner.
21 This commitment to safety equally applies to the protection of the environment.
22 Nine exploratory wells have been drilled in the lower Cook Inlet to date. All
23 these wells were drilled safely without a single oil spill. We would like to
24 stress that this is not unusual. The American oil industry has a superb record
25 of safe exploration drilling. Spills during the development stage are rare.

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1 In nearly 15 years of platform operation in the upper Cook Inlet there has not
2 been one major damaging spill. ARCO is certain that we have the knowledge and
3 necessary technology to continue this safety record in the area proposed as
4 lease sale number 60.

5 In 1971, the U.S.G.S began keeping records of blowouts, spills, fatalities
6 and serious injuries on the offshore continental shelf. The findings for that
7 period 1971 through 1978 were reported by the U.S.G.S this year in their Open-
8 Report 80-101 by E. P. Danenberger. The findings in this report cover 7,553
9 wells started and all production operations in the OCS of America. While
10 drilling those 7,000 wells, there were 46 blowouts, all in the Gulf of Mexico.
11 The sum total of all the oil spilled during all kinds of blowouts during this
12 eight year period was 725 barrels. During that same time period, the American
13 industry produced 2.8 billion barrels of oil from the OCS. None of the
14 exploratory or development wells which blew up caused any oil spill as they
15 were all gas blowouts. All of the 725 barrels spilled from these blowouts
16 occurred prior to 1975. The Federal records would seem in direct conflict with
17 the hue and cry that has been raised by the BLM's DEIS statement and the
18 inflammatory synopsis of that Draft which was thoroughly circulated by the OCS
19 Advisory Committee to the Kodiak Borough.

20 We recognize that everyone is concerned about the environment and
21 rightfully so. We are also concerned and feel that our operations reflect our
22 commitment to a clean and safe environment. The Draft EIS we are addressing
23 today assesses numerous environmental impacts expected to occur as a result of
24 Sale number 60. It is our experience that the actual impacts resulting from
25 this sale will be far less severe than those expressed in the Draft Environmental

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1 Impact. As support, we would point out the lack of detrimental environmental
2 impacts resulting from either our operations in the upper Cook Inlet or our
3 drilling operations in the lower Cook Inlet.

4 We also believe that the socioeconomic impacts will be minimal. The
5 BLM's own Technical Report #55 shows that the socioeconomic impacts did not
6 cause major expansions or lead to disruptive pressure on existing local
7 facilities. It did not occur. We concur with this finding and would cite
8 our own experience in Uajutat and Homer as support for this idea. Initially,
9 the oil industry encountered strong resistance in Yakutat. However, as we
10 began to learn more of each other in that community, we found that we had
11 common problems and we did not have common conflicts. We solved those problems
12 and worked into each other's mutual benefit. Two good examples of that are: the
13 public water supply is now supplied and augmented by the water system that we
14 put in to supply the terminal and all the freight moved in and out of that
15 town for the last--for about the last eight months has moved over our dock.
16 We are confident that the same can be accomplished with this regard in this
17 sale area and all sale areas in the future. We started out as our relationship
18 in the town of Homer after the Kachemak Bay buy-back on the leases, we found out
19 we were operating in a very negative area. During the period in which we
20 drilled the wells and the exploratory wells, as we became known in the community
21 we found our relations vastly improved with what we predicted was going to
22 happen. I believe we have demonstrated through out record of operations that
23 the impacts expressed in the DEIS are grossly overstated. We do not mean by
24 this that we are not sensitive to impacts. We are. Further, we will take
25 all necessary steps as we did here in Yakutat to mitigate any adverse effect

1 that is either imagined or actual. We are also optimistic that by close work
2 and cooperation among all the parties, the impacts can be dealt with to the
3 satisfaction of all parties.

4 Ms. Chairman, we also have a number of technical comments that I will
5 not burden the Committee with at this time, but we will submit in writing
6 concerning the DEIS. As many of the other professionals who have also spoken
7 here this evening, we also have serious problems with methodology of how that
8 was put together.

9 MRS. WUNNICKE: Thank you. We will be pleased to have those comments.
10 Any questions of Mr. Knowles?

11 MR. ONES: Since I won't see those comments for quite some time, although
12 I will eventually, could you just briefly outline--I take it the comments are
13 on the oil spill analysis. The last comment you made on methodology.

14 MR. KNOWLES: Ah, yes, if you--yes, the methodology says that the end
15 result of it and we've heard it time and time again, ah, that Impact Statement
16 has convinced many people in this room that there is a guarantee of four oil
17 spills out there. Okay? Major catastrophic oil spills. We've operated for
18 14 years in the upper Inlet, a much more severe environment, and have yet to
19 have a major catastrophic oil spill. We've got 2.8 billion barrels produced in
20 the OCS over this time period and in that report period, there were no
21 catastrophic spills. When you look at the spills from production pipeline
22 and tanker transportation, there is still no major spill. By the federal
23 records themselves--

24 MR. ONES: Okay. You would--

25 MR. KNOWLES: --would tend to negate the fact that there are going to be

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1 four spills in this area.

2 MR. ONES: Okay. Your methodology question then is related to the whole
3 model rather than to its application in its area, or more generically, its
4 application--

5 MR. KNOWLES: I seriously question what technical data that model came
6 from because it doesn't appear in the EPA records, it doesn't appear in
7 Coast Guard records, it doesn't appear in U.S.G.S records that that kind of
8 spill historically occurs. Those are the only three people charged with
9 keeping those records. So that's my question. If it doesn't appear in their
10 records, it has not happened in the past, why we predict it for this sale.
11 Okay? I recognize that a Draft Environmental Impact Statement must be written
12 by law to address the worse possible environmental thing that can happen. My
13 point being, I think we've stretched it to the breaking point in this Draft
14 Statement. If you go back and compare the BLM's Report 55 that I eluded to
15 and compare that word by word, chapter by chapter, for what the Draft
16 Environmental Impact Statement is for that area that we just got done drilling
17 out there, you will see that that Draft Statement was a gross exaggeration for
18 what actually happened. I recognize the constraints by law that the Land
19 Management people have to write those under. But I believe that we have
20 overstated the point to where the layman can't understand the methodology and
21 can't understand the actual impact if it really occurs because there is nothing
22 in there about the track record. Its predictions.

23 MRS. WUNNICKE: Would you have the same response with respect to the
24 first Cook Inlet sale? Had there been production in that area, would those
25 predictions have been any more accurate?

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1 MR. KNOWLES: I can only answer that in terms of how far off the Draft
2 Statement was on the effect of the exploration drilling. In other words, we
3 drilled exactly what we said we were going to drill in the exploration plan
4 that we submitted. The industry in general did the same. Now, as you look
5 at Report #55, what actually occurred and they went back and checked every
6 category that came up in the Draft Statement, ah, crime in the streets, sewer
7 connections, number of flights in and out of Homer, number of oil spills, the
8 whole spectrum of events that occur. And if you go back and compare the
9 predictions, you can generally say the predictions come along. Here's this
10 big spike from exploration drilling. And then it goes into development. When
11 you actually see what was plotted, you literally can't see it in the statistics.
12 You literally can't see it in the statistics. So I'm concerned that perhaps we
13 have gone a step too far with our Environmental Impact Statement.

14 MR. ONES: Yeah, but you would also acknowledge that that's also under
15 the case that you didn't have a strike in that sale?

16 MR. KNOWLES: No, sir. That's only the exploration drilling case.

17 MR. ONES: I know, but--

18 MR. KNOWLES: I did not elude--I can't answer her question as to what
19 it might be during production. The only thing that I can say is that the
20 spike in the data that should have occurred in exploration drilling did not
21 occur.

22 MR. ONES: No, but that's also because none of the exploratory wells hit
23 a strike.

24 MR. KNOWLES: No, sir. (Audience applauds)

25 MR. ONES: Wouldn't the number of exploratory drills gone up as a spike

1 if there had been a commercial discovery?

2 MR. KNOWLES: No, sir. That Draft Statement said that there would
3 probably be so many wells drilled on a minimum case and this is going to be
4 the prediction of what happened. That number of wells is about how many
5 that was drilled and the statistics didn't spike because of the activity.

6 MR. ONES: I see what you mean.

7 MRS. WUNNICKE: Any other questions of Mr. Knowles. Thank you very
8 much. I'm sorry, this is a formal hearing, and you are not allowed to question
9 the witness. Only members of the panel can do that. If you would like to
10 testify later, please sign up, and we will be pleased to hear you.

11 UNIDENTIFIED PERSON: When we sign up over there, does that give me
12 the opportunity to talk?

13 MRS. WUNNICKE: Yes, sir.

14 UNIDENTIFIED PERSON: Okay. I've signed up over there.

15 MRS. WUNNICKE: Have I called your name?

16 UNIDENTIFIED PERSON: I would like it called right now because I work
17 in the oil fields.

18 MRS. WUNNICKE: Are you Mr. Steven Clark?

19 UNIDENTIFIED PERSON: No, I am not.

20 MRS. WUNNICKE: Reuben Call?

21 UNIDENTIFIED PERSON: No, I am not.

22 MRS. WUNNICKE: I may get to you yet. Laura A. Barton? Are you Mr.
23 Clark or Mr. Call?

24 MR. REUBEN CALL: I'm Reuben Call.

25 MRS. WUNNICKE: All right, Mr. Call. Thank you.

1 MR. REUBEN CALL: Madam Chairman and members of the--represented and the
2 public. In 1952, Cecil Wyant was living on his 160 acre homestead on the
3 east side of Dimond Ridge about one mile from the Sterling Highway. He told
4 me an adjoining acreage of the same size was open to entry, which I went up to
5 look at. When I walked on the land from the ridge above, I had a wonderful
6 feeling of elation to feel that this land could be mine. The view was so
7 tremendous that the feeling was almost overpowering. By February of '53, I
8 was given authority to homestead the land. It's been my home since even though
9 I have been away for extended periods several times. I have lived there most
10 of the time over a period of 27 years.

11 I am concerned about the future of this area. When I homesteaded, the
12 Federal Government reserved the coal deposits on the land. At that time, oil
13 was not mentioned. From my cabin, I survey an enormous, beautiful, unspoiled
14 scene. So far the land between me, the sea, and the mountains is for the
15 most part unsubdivided or owned by speculators. Are we really trying to make
16 wise use of our unparalleled resources, or are we hoping to make a buck.
17 Do we need to take our riches out and in a few years, give our children the
18 leftovers from exploratory development? Are most people in the area all
19 involved in the decisions likely to be made regarding factors important in
20 their future? Are the people at the top representing far less than the people
21 they are suppose to represent when they state they are for development?

22 I believe oil is critical in our needs, but I feel we need also to use
23 it wisely. Surely trying to go on in a business as usual is perhaps the
24 surest way to impoverish ourselves. Land crops, timber, fishing stocks,
25 tourism, and such sources of income and the livelihood are renewable resources.

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1 Oil, coal and even gravel and sand deposits are limited, the last being so
2 described in a recent book, The Thin Edge, describing the situation on each
3 in the United States.

4 Now what are we going to do? Certainly we want to act wisely. Let us
5 not make any more such serious mistakes as I feel running the pipeline for
6 oil to Valdez was, instead of building it on to the mid-West where the need
7 for it was greatest. True, a lot of people are working on facilities in Valdez
8 and on tankers, delivering the oil, but who made that decision?

9 Details of your proposal to lease more than 800,000 acres in the lower
10 Cook Inlet and in the Shelikof Strait are the--the details are beyond my
11 present concern. I like Home, and I want it to stay as it is, a beautiful
12 and pleasant place to live.

13 Ah, I believe that is what I wanted to say, and I've said it.

14 MRS. WUNNICKE: Thank you, Mr. Call. (Audience applauds). Laura Barton?
15 Assa Bates speaking for Annabel M. Lund? Mr. Bates? Jan Needham?

16 MS. JAN NEEDHAM: Good evening, panel members. My name is Jan Needham,
17 and I'm a commercial fisherman in Cook Inlet and have been for the last five
18 years with my own boat. I fish the upper Cook Inlet areas just below the
19 platforms. I don't happen to fish the Shelikof Strait area or by Augustine,
20 that's not my kind of fishing. I'm a salmon fisherman, but I sympathize with
21 those people who have gear over in that area that lose their pots to boats
22 running through them. I think that the areas in question that Mr. Knowles
23 referred to when he says that upper Cook Inlet is a more difficult area and
24 that they don't have any problems up there, he doesn't expect problems out
25 here. That man doesn't know the area. There are almost no rougher waters

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1 than you will find in Shelikof Strait and over around Augustine and Cape
2 Douglas. The exploratory wells that they had up here recently, a little further
3 north of here, we heard tales of anchors dragging, and repair problems, and
4 some of them were brought into Kachemak Bay by tow to be repaired, that is a
5 wild, natural area. The seas are phenominal, the winds can be terrific. I
6 can use all the biggest adjectives I can think of to describe that area, and it
7 doesn't begin to measure with upper Cook Inlet. Upper Cook Inlet has fast
8 tides, but there are certain sheltering aspects of being futher up the Inlet
9 that are not there on the openings to the ocean. I think he tried to point
10 out to you, Mr. Knowles did, that during exploratory time you don't see the
11 change in the community so much. I think that was acknowledged that there is
12 a difference between when you strike oil and when you are just exploring. The
13 kind of change that happens in a community during exploring time is a subtle
14 one, it's the speculators at that point who come in buying up land, looking for
15 businesses, building one two many of each kind of business in a town when you
16 can only support one kind of business and then they fail. More people are out
17 of work, more people have been misled into a community, and that community is
18 taxed with additional water problems, electric problems, all kinds of problems
19 of too many people, who then leave and leave you with homesites that deteriorate
20 into the wilderness, become blights on our community, overload our school with
21 extra kids, or whatever. It's just a struggle all the way around that happens
22 in a town when there is speculation, when there is too fast development. There s
23 a type of person that arrives who's value system is different from the people
24 who live here, who live in Alaska. I've been here for 10 years. The value
25 system is where we have a problem all the way across the United States right

1 now. Somewhere along the line, the dollar became the most important thing
2 and the idea that anything could be traded for a dollar, than the dollar was
3 the best thing to do it for. Well, Homer doesn't really want to choose that
4 kind of a dollar value system as you can see by the number of people that
5 speak against it. We are here running from it, and we want it to stay a little
6 "purer" than to be contaminated by what has happened to the lowr '48. Anybody
7 that has been to Long Beach, Pittsburg, New Jersey, some of the higher polluted
8 areas, whether it is oil or industry or factories, people scrapping for a living
9 and very miserably so, they know why they are here in Homer. People who have
10 lived in Homer a long time remember that as being a time of gathering coal and
11 maybe some pretty cold, harm times, and they like the idea of more money flowing
12 into their community. Maybe they have forgotten. Those of us who have come
13 in the last 20 years haven't forgotten what it is we are running from. We
14 don't want to see it happen to Homer. I think that right now with the whole
15 country needing to know how to conserve and how to use common sense, Time
16 Magazine had an article how to promote critical thinking in schools so people
17 can learn to make proper decisions based on a value system and understanding
18 their choices in life. I think we use to call that just common sense. The
19 people have lost it a lot, but it takes that to survive, to be a survivor as
20 we know it today. I think that conservation of the resources that we have,
21 learning how to use out petrochemicals properly, will show that we don't have
22 to develop this oil out here right now. I don't think we would have to
23 develop it in the next 50 years, if we just use what we already are tapping
24 and use it wisely. In this last 20 year timespan, we have seen this
25 tremendous search for energy sources. We are talking more about coal now.

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1 But let's look ahead even a little further than that. We've got a tremendous
2 population growth going on in the world. Maybe the next timespan, the
3 search will be for food. Will we have wasted a producing area of food in our
4 present search for energy sources like oil only 10, 15, 20 years from now,
5 to find ourselves searching for food. Would we dare say, "Let's throw those
6 rigs out because we now want to fish that area?" Will we ever go back? I
7 doubt it. Let's not go there in the first place to start with. Let's not let
8 people who think that the dollar is the end-all to be all, to run our lives.
9 Let's remember where our proper values are and let's not have another oil
10 lease sale. Thank you. Any questions? (Audience applauds).

11 MRS. WUNNICKE: Okay. Mr. Joel Gay?

12 MR. JOEL GAY: My name is Joel Gay, and I am a private citizen of
13 Homer. I have read the Draft Environmental Impact Statement for the proposed
14 oil and gas lease sale 60 and beginning on page 1, I read about the probable
15 adverse effects of oil development in the lower Cook Inlet. It is inevitable
16 that there will be major spills during the drilling, pumping and transporting
17 phases of offshore development. It is inevitable that there will be losses of
18 commercial fishing areas, fishing gear, and damage to the fish stock themselves.
19 There will be chronic oil pollution from the drilling muds, the platforms, and
20 transportation which will inevitably effect the commercial subsistence and
21 sports fish and shell fish. It is inevitable that marine coastal birds will
22 be severely impacted with certain populations having from 25 - 75 percent
23 mortality rates. The marine mammals will be affected the same, or worse, with
24 threatened losses up to 100 percent in certain instances. This town will be
25 inevitably impacted. Already, friction is increasing as dividing lines are

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1 gone. Should oil spills reduce fish populations, in economics of the town
2 will surely slump. If the tourism and recreation businesses fall off due to
3 loss of scenic beauty, again many sectors of the population will feel the
4 effect of the revenues. Traffic will increase in our roads, in our airport,
5 in our harbor, and the shipping lanes offshore. The Spit is already being
6 developed for the oil industry and not the tourist and recreation-minded
7 people in mind. It is inevitable that there will be irreversible and
8 irretrievable loss of life-style in this town, a town that already has a solid
9 economic base, a fishing-tourism, already has a healthy growth rate, and in
10 all other respects is healthy.

11 One of the most important of these inevitabilities is the fact that this
12 oil and gas lease sale will be held, especially if the new Secretary of Interior
13 is any less concerned about our environment than Andrus is. The people of
14 this town has already fought long and hard to tell big oil and the state and
15 federal government that we don't want oil development in our area, but here
16 you are again, asking us our feelings on having our life-styles disrupted,
17 asking us to collect our forces and fight once again to remain free from the
18 grip of oil economics. We are being asked in the name of the national interest
19 to trade off fish, beauty, clean water and a calm way of life, for crude oil
20 to power the cars of America.

21 The proponents of oil development have weighed these same facts and
22 figures and implications themselves, but they have chosen the economics
23 over, to put it very simply, life. This, I think, is where it finally spits
24 down to where there is only one side of the line or the other and no where
25 else to go. Oil companies are in the business to make money, no matter what

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1 they say about the national interest and they have been given a choice between
2 making money and letting life go on with its business. Life is the key issue
3 here. I would like to ask the Secretary of the Interior what is more important,
4 life or money? Oil development will affect the life of all organisms from
5 plankton all the way to the food chain to the human beings that inhabit the
6 shores of this area. A few thousand sea otters dead, a few thousand birds
7 dead. The minute life that forms the basis of all our own lives on the edge of
8 the sea and land. Our own life-style which we obviously feel deeply for are
9 all hanging on the edge of disaster. Is it worth 150 or 200,000 barrels a day
10 for 9,000 days? I say no, no to the oil and gas lease sale number 60, and no
11 to oil development to this area in general. I say draw the line here.

12 MRS. WUNNICKE: Did you say you are a private citizen?

13 MR. GAY: I'm a private citizen.

14 MR. JONES: Mr. Gay, you made the statement that the Spit was being
15 developed by the oil companies. Could you elaborate on that.

16 MR. GAY: Being developed with the--I said, "it's being developed with
17 oil development in mind," and that's very clear in the Report.

18 MRS. WUNNICKE: You mean, the docks, the harbor--

19 MR. GAY: The whole port and harbor development is all generally heading
20 that direction.

21 MRS. WUNNICKE: Any other questions?

22 MR. ONES: Just a question. The lack of familiarity that Homer has in
23 the way of zoning laws or lack thereof, do you have control over what that
24 land is zoned for?

25 MR. GAY: That's a real big issue in Homer right now, is who does control

1 the zoning out there, what it will be. The Borough is working on a plan right
2 now to, ah, develop a coastal zoning plan which would incorporate the Spit.
3 The city has developed its own zoning plan that's working with a local advisory
4 committee and it's basically up in the air. Right now we are given the choice
5 of whether we want to go full industrial park, recreation, leave it the way
6 it is with the fair amount of recreation.

7 MR. ONES: Is it also then a question of Homer versus the Borough as to
8 who has the authority? Is that another problem?

9 MR. GAY: Yeah, it is. It seems to me that was just a referendum on
10 the last election not to give the Borough--well, that was actually zoning
11 authority outside the city, which would not obviously occur here. (Audience
12 applauds).

13 MRS. WUNNICKE: Thank you. Mr. Michael O'Meara? O'Meara. Janet O'Meara?
14 Patty Yancey?

15 MS. PATTY YANCEY: Hello. Since I wasn't suppose to speak until tomorrow
16 morning, I am totally unprepared. If I get a little emotional, it's because I
17 don't have my notes with me. (Laughter) I won't echo what everyone else has
18 said. Everyone else has the facts very well stated in their speeches here.
19 ah, I would iust like to say that one thing that Mr. Knowles said from ARCO
20 was that a lot of things they--you know, drilling and what the oil companies
21 had done, that they had done exactly what they said they were going to do, and
22 that's fine. I'm not questioning Mr. Knowles integrity or anything, but in
23 living in Santa Barbara, California, the oil companies did not do what they said
24 they were going to do. In drilling, I would just like to read--this happend
25 a long time ago, January 28, 1969, but this is a quote from the Santa Barbara

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1 news press. It said that "The federal inspectors gave permission to drill more
2 than 3,200 feet into fractured strata with only 514 feet of protective casing."
3 This meant that regulations calling for 300 - 500 feet of casing, but 276
4 feet of this casing runs through sea water, measured from the sea floor, only
5 239 feet of it extended below the ground. To accommodate this, inspectors
6 granted a variance. They granted this variance and the oil company started--
7 they were drilling in certain wells, and they got away with four wells completed
8 without any mishaps. Then they began well A-21 when they had their large
9 blowout in Santa Barbara. What occurred was 1 to 5 million gallons of oil
10 spilled outside of Santa Barbara. It still leaks today at 40 - 50 barrels a
11 day. This spill occurred in 1969. We are talking about 11 years, and I'm
12 sorry, but I can't believe that 40 - 50 barrels a day has not been detrimental
13 to the Santa Barbara coast. I lived there and everytime I went down on the
14 beach, when we returned to our homes, we always had a little can of gasoline
15 or turpentine to clean the tar or the oil off our feet from just walking or
16 jogging or messing around on the beach. Now, a lot of people won't be walking
17 without their shoes on the Spit or anything like that here because it is too
18 cold, but we have a beautiful area here. I don't want to see little globs of
19 oil on the beach that gets larger. Sometimes there's not very much. Everytime
20 there's a storm, more oil comes up unto the beach. Their main livelihood--
21 well, I shouldn't say livelihood--but their economic base in Santa Barbara is
22 tourism and recreation. Here we have a large tourism and recreation base, but
23 the most important thing here is, we are talking about fishing. We are talking
24 about feeding a lot of human beings and that is very important. There is
25 so many people--when I was outside, a lot of people could not believe that I

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1 could go to the Bay and fish and feed myself and fill my freezer and have
2 clams and crab and halibut during the winter. They had never even heard of
3 anything like that. They had never seen a crab as large as you can get a
4 crab out there in the Bay. That's very, very important. People in Alaska
5 call the lower '48 "outside." Why do they call it those names? We don't want
6 to be like that, and that's why I came up here. I left those areas. I don't
7 want to go down to another beach and clean off 15 more birds of my own, put
8 out straw, and clean up another oil spill. I refuse to do it, so I say, "No,
9 I do not support the lease." Thank you. (Audience applauds).

10 MRS. WUNNICKE: Peggy McIntyre?

11 MS. PEGGY McINTYRE: I left my report at home. I was expecting to talk
12 tomorrow.

13 MRS. WUNNICKE: All right. Fine. We will call you again. I'm just
14 trying to move this schedule along.

15 MS. McINTYRE: Right. If it is convenient, I will submit a written
16 statement.

17 MRS. WUNNICKE: We will be pleased to have a written statement.
18 Ms. Roseleen Moore? These are all people who were signed up for tomorrow, but
19 if it is convenient, we will go ahead and hear you now. Don Dumm?

20 MR. DON DUMM: My name is Don Dumm, and I haven't read the EIS, so I
21 am going to speak from personal experience. I have spent the last couple of
22 years fishing in the area that is proposed for the lease sale, and, ah, I
23 would like to say that I think the Shelikof Strait and the lower Cook Inlet
24 is a whole different world from, say, upper Cook Inlet where they have
25 successfully been pumping oil for 15 years. It seems to me if this lease sale

1 occurs, we stand a good chance of sacrificing the sea food products that
2 support the fishing industry. In order to prolong the oil industry--in
3 essence it is going to be obsolete in a few years because it is limited to
4 oil which is a limited resource. Ah, it seems to me it would be far better
5 off if the oil industry took their money they are using now for exploration
6 and put it inot finding alternate sources of energy. This is going to come
7 anyway. It might as well come sooner, rather than later. I'm against the
8 oil sale 60. Thank you. (Audience applauds).

9 MRS. WUNNICKE: At this time, we were scheduled to break for the dinner
10 hour. We will reconvene at 6:30. Let me call these names to see if you
11 are here. Mr. Dan Parks? Mr. Frank Griswold? Mr. Gary Worby? Mr.
12 Bob Barrett? Mr. Eric Ringer? Would it be convenient for you to come back
13 at 6:30 when we reconvene? Thank you. We will reconvene at 6:30 this
14 evening. Thank you for your patience.

15 OFF RECORD

16 ON RECORD

17 MRS. WUNNICKE: The person scheduled to testify after the dinner break
18 is David L. Bentley. Before Mr. Bentley testifies, I would like to call
19 again the people who were not present and were signed up to testify earlier
20 in the day. Ah, Mr. Frank Tupper? Mr. Derek Stonorov? Mr. Michael Coumbe
21 and someone said that he was out of town. Mr. David L. Bentley? Is Mr.
22 Bentley here? Mr. Phillip Brudie?

23 MR. PHILLIP BRUDIE: Hello, My name is Phillip Brudie. I am a commercial
24 fisherman and carpenter. I would like to make a few brief remarks in
25 opposition to the proposed lease sale. I think it is absurd to drill offshore.

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1 It limits the extraction technology. Accidents and spills in the proposed
2 leased sale area could be potentially disastrous for Kodiak Island salmon
3 fishermen, for Cook Inlet crab fishermen, and they could have a serious impact
4 on our other fisheries. We are being told to expect four major oil spills
5 from this lease sale, each with a 94 percent likelihood of reaching
6 of toxic, affecting up to 93 miles of shoreline each. The Environmental Impact
7 Statement says, and I quote, "overall, the salmon resource in the Cook Inlet
8 could be adversely affected by oil development." I quote further, "There would
9 probably be a reduction a crab populations caused by events associated with
10 this proposals." Now these are frightening statements of those of us involved
11 with the fishing industry. So, why drill in these marginly safe areas? I
12 believe the oil companies stress offshore drilling with its extremely high
13 production costs causing environmental risks because they can write off these
14 production costs and take a profit through the rest of their vertical financial
15 structure, which includes subsidiaries that construct platforms, and then
16 refine or retail the petroleum produced. We shouldn't subjugate the well
17 being of our ecosystems to the well being of the oil company stockholders.

18 In addition, I feel a more subtle threat of the lease sale to this
19 area would be represented by the 400 person population growth that is postulated
20 for Homer. When the oil from these leases ran out, these people would probably
21 generate tremendous local pressure for more leasing. The next logical area,
22 of course, would be Kachemak Bay, which most present residents consider
23 saint.

24 In closing, I feel the ecological and sociological concerns of this
25 lease sale outweigh the potential benefits.

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1 MRS. WUNNICKE: Thank you, Mr. Brudie. (Audience applauds). Mr.
2 Bill Bledsoe.

3 UNIDENTIFIED PERSON: He is out of state and will not be here.

4 MRS. WUNNICKE: Is anyone representing him?

5 UNIDENTIFIED PERSON: No.

6 COURT REPORTER: Would you please remind them to leave their copies with
7 me.

8 MRS. WUNNICKE: If you have copies of your comments, ah, the Reporter
9 would appreciate having it. It would make her job of getting the transcript
10 typed much easier. Julie Cesarini?

11 MS. JULIE CESARINI: Good evening. My name is Julie Cesarini. I am
12 a resident of Homer, and I am employed here. I also have two children. Ah, I
13 am opposed to the lease sale, primarily because of the social factors and the
14 impact involved. Ah, the economic and social factors as quoted in the
15 Environmental Statement, ah, I feel far outweigh the advantages that we would
16 have. I am a former resident of Valdez, Alaska. I spent seven years there
17 from October, 1968 to June, 1975. It was a very real impact. I don't think
18 that anyone that hasn't lived through it really realizes the kind of situation
19 that it is. I am very concerned with the number of people in town, the
20 people that are here to make money and leave and that don't have the concern
21 that they would have for their home community. I enjoy Homer as it is. I
22 think that our tourism industry has a lot of potential even further than it
23 has now, and that our fishing, shell fish, is something to be considered as
24 far as the sale is concerned. I'm also concerned about the effect on the
25 marine mammals and the animals on land. There is always a big impact when you

1 have a lot of people that try to enjoy an area such as this. Thank you
2 very much. (Audience applauds).

3 MRS. WUNNICKE: Marilyn Hammond? Gail Phillips? Is Gail Phillips here?

4 UNIDENTIFIED VOICE: She's upstairs.

5 MRS. WUNNICKE: While we are waiting for Ms. Phillips, is Mr. Phillips
6 here?

7 UNIDENTIFIED VOICE: He just went upstairs to get Gail. (Laughter).

8 MRS. WUNNICKE: Joyce Dey?

9 MS. GAIL PHILLIPS: Mrs. Wunnicke and members of the Board. Thank you
10 for giving us this opportunity to speak before you. I am Gail Phillips and
11 I am President of the Homer Chamber of Commerce. The Chamber of Commerce in
12 Homer represents a 110 businesses within the city limits of Homer. We have
13 a letter here I would like to read and then a resolution that the Chamber
14 adopted yesterday.

15 "Dear Mrs. Wunnicke: On Monday, October 13, 1980, the Homer Chamber of
16 Commerce adopted a resolution to be submitted as testimony for the public
17 hearing on the proposed OCS lease sale 60. This resolution concerns itself
18 with the issue of economic stimulus for the Homer area, an issue which is
19 obviously relevant to the activities of the Chamber of Commerce. The
20 resolution also addresses to some degree the concerns for the environment of
21 the area, and the compatibility of the oil industry with the fishing industry,
22 Homer's primary industry. Consequently, we submit Resolution 80-5 as tesimony."
23 Resoltuion 80-5 reads as follows: "A resolution authorizing a statement from
24 the Homer Chamber of Commerce for the OCS hearing on sale 60; saying that the
25 Homer Chamber of Commerce wishes to welcome the opportunity to expand the

1 economic and employment base of the Homer area by including the oil industry
2 insofar as it is compatible with the fishing industry. Whereas, the Homer
3 area is in dire need of additional economic stimulus to provide employment
4 for its people; and Whereas, this industry would provide economic benefits
5 to the businesses which are presently in the Homer area, as well as provide for
6 new businesses related to the oil industry; and, Whereas, we believe the oil
7 industry wishes to preserve the environment as much as we, the citizens of the
8 area do; and, Whereas, we believe that the oil industry can be compatible with
9 the fishing industry, which is Homer's primary enterprise; Now Therefore,
10 Be It Resolved, that the Homer Chamber of Commerce that this Resolution serve
11 as a statement for the OCS hearing on sale 60, saying that the Homer Chamber
12 of Commerce wishes to welcome the opportunity to expand the economic and
13 employment base of the Homer area by including the oil industry insofar as
14 it is compatible with the fishing industry. Dated at Homer, Alaska, this
15 14th day of October, 1980." Thank you. (Audience applauds)

16 MRS. WUNNICKE: Ms. Phillips, would you be sure that--Ms. Phillips?

17 MS. PHILLIPS: Yes.

18 MRS. WUNNICKE: Will you be sure that the Reporter gets a copy of the
19 letter and a copy of the resolution?

20 MS. PHILLIPS: Yes.

21 MRS. WUNNICKE: Are there any questions of Ms. Phillips before she leaves?
22 Thank you. Ah, Mr. Angelo Phillips will speak in place of Earl Cooper.

23 MR. ANGELO PHILLIPS: Member of the board, my name is Angelo Phillips.
24 I am a resident of Homer. What I have is a continuation of the--well, the
25 presentation from the Homer Chamber of Commerce. I have here a list of

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1 petitions signed by a number of people. If you will permit me: "We, the
2 below list of citizens of the Homer community wish to make a statement of the
3 OCS hearing on sale 60 to be held on Tuesday, October 14, 1980. The Homer
4 area is in desperate need of economic stimulus to provide employment for the
5 members of the community. We do not want our environment damaged, and we
6 believe the oil companies do not want it damaged either. We believe that the
7 industry's safe record in Cook Inlet is proof positive that oil can be sought
8 and rilled without environmental damage in the Outer Continental Shelf.
9 In view of the above, we, the undersigned, welcome the oil industry to the
10 Homer area." I will leave the stack of signed, ah, with the Clerk.

11 MRS. WUNNICKE: If you will file those as an exhibit with the Clerk.
12 Will you respond to questions, Mr. Phillips?

13 MR. PHILLIPS: Yes.

14 MRS. WUNNICKE: Does anyone have questions of Mr. Phillips? (No
15 response) Are you an officer of the Homer Chamber of Commerce?

16 MR. PHILLIPS: No, I am a member of the Chamber, but no--this is totally
17 independent.

18 MRS. WUNNICKE: I see. And you are a resident of Homer?

19 MR. PHILLIPS: Yes, ma'am.

20 MRS. WUNNICKE: And you have a business in Homer?

21 MR. PHILLIPS: Yes.

22 MRS. WUNNICKE: Anyother questions? Thank you. (Audience applauds).
23 Is Joyce Dey here? Are the representatives of the Kodiak Native Association,
24 Kana, here? Is Wayne Marshal here? Eileen Morrou? Andre Marrou?
25 Carol Griswold?

1 UNIDENTIFIED PERSON: She will be submitting her testimony.

2 MRS. WUNNICKE: All right. Thank you. Gregory Ragon? Lynn Bennett?
3 Craig Matthews? James Herbert? Okay, fine, Mr. Herbert.

4 MR. JAMES HERBERT: I was surprised that you are ahead of schedule. I
5 was asked to speak for someone earlier this evening, but you got ahold of
6 schedule so I missed his time. May I present his testimony and my own?

7 MRS. WUNNICKE: Yes, you may. Who else are you speaking for?

8 MR. HERBERT: For Bill Bledsoe and the person who listed himself as a
9 crab fisherman.

10 MRS. WUNNICKE: Oh, I have a listing for a representative of the
11 Cook Inlet Crab Fishermen, but no name.

12 MR. HERBERT: Yes.

13 MRS. WUNNICKE: Yes, we are running ahead of schedule, but we will
14 keep calling.

15 MR. QNES: Just for clarity, is the Cook Inlet Crab Fishermen an
16 association?

17 MR. HERBERT: No, at this point, it was just an euphemism representing
18 people that do fish for king and tanner crab in the lower Inlet.

19 MRS. WUNNICKE: And what is his name?

20 MR. HERBERT: I'll get--

21 MRS. WUNNICKE: Oh, all right.

22 MR. HERBERT: Would the panel like copies of his testimony. There are
23 a few extras?

24 MRS. WUNNICKE: Oh, that would be nice.

25 MR. HERBERT: Ladies and gentlemen of the panel and the various visiting

1 agencies, Welcome to Homer.

2 "My name is Bob Tremain. Please excuse my absence for this presentation.
3 The burden of my financial investment, almost \$1 million, dictates that I
4 must fish every possible day during our season. Therefore, as my friend Jim
5 Herbert, reads you my request, I am fishing the waters of the Lower Cook Inlet
6 to satisfy and fulfill my financial obligations. I am not a conservationist
7 or environmentalist. I am a fisherman. I am looking at Cook Inlet sale
8 number 60 as a fisherman. The Cook Inlet Crab Fishermen have \$15 - \$20
9 million invested as a fishing fleet in the future of lower Cook Inlet.

10 In Cook Inlet sale number 1, almost 60 percent of lower Cook Inlet was
11 leased, luckily sparing our prime fishing grounds, west of the sale area.
12 We thought we were lucky. Now two years later, we are faced with sale number
13 60, which will endanger our prime producing areas. These are areas which have
14 produced crab for the last 30 years and will hopefully produce in the
15 future. Cook Inlet oil and gas lease number 60 presents certain tracks
16 that will create a major conflict between the oil industry and the
17 commercial crab fisherman. Rig tenders, oil rigs, and the various other support
18 and supply vessels for the oil industry cannot co-exist to the benefit of the
19 commercial crab fishermen. The confrontation will put the two industries
20 against each other. The oil industry has everything to gain and nothing to
21 lose. The fishing industry has absolutely nothing to gain and everything to
22 lose. The confrontation will produce one loser, only one, the fisherman.

23 Therefore, Cook Inlet Crab Fishermen would like to make a formal proposal
24 as an alternative to OCS sale number 60. This proposal is to delete 33
25 tracts: numbers 484, 615, 659, 703, 748, 661, 662, 663, 705, 706, 707, 751,

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1 795, 793, 836, 880, 837, 838, 923, 924, 881, 882, 968, 925, 1011, 1012,
2 1055, 1056, 43, 44, 88, 131, and 132. These tracts represent approximately
3 20 percent of the total sale. If these tracts are deleted, unbelievably,
4 the Cook Inlet Commercial Crab Fleet feels that the oil industry and the
5 Fleet could work together and live in harmony in the Lower Cook Inlet. We do
6 not feel that this is a radical proposal. We feel if these tracts are
7 eliminated from the sale, the two industries can establish a very
8 compatible, positive, working relationship.

9 Several of the tracts cover an area known in local terms as the
10 Compass Rose. The Compass Rose is an area where current feed and bottom
11 topography concentrate the Tanner and King Crab populations, presenting them
12 for commercial harvest. Both species, the tanner and king crab, school
13 and concentrate themselves in this area and then move either in a northerly
14 or southerly direction depending on the species and the time period of the
15 season.

16 The king crab biomass school in the Compass Rose area during the month
17 of August. The commercial crab fishermen start their harvest then. The
18 crab, approximately 75 percent of the school, moves in a southerly route along
19 a 35 - 85 fathom shelf towards Cape Douglas and Shelikoff Strait. This
20 area, the Compass Rose, is a breeding area for much of the Kodiak crab
21 population. The Commercial Crab Fisherman follow the king crab on their
22 southerly migratory route. Another portion of the school in the Compass
23 Rose, approximately 25 percent, move to the north through tracts 703, 659,
24 615, 527, and 484. The commercial fleet also harvest these crab on their
25 northerly migratory route. The above mentioned tracts are directly in the

1 migratory paths and schooling areas which have been known and documented
2 for 30 years for king crab and 10 years for tanners. The migratory route
3 has been documented by fishermen and the Alaska Department of Fish and
4 Game for 30 years.

5 The above mentioned tracts in Sale 60 if leased will create a major
6 conflict between the oil industry and the fishing industry. Over 85 percent
7 of all the product, crab, shrimp, halibut, future scallop and clam beds are
8 contained in these tracts. The habitat maps contained in the DEIS are
9 grossly inaccurate. The lease area contains fishery populations in far
10 greater numbers than what is reflected by this maps. I am sure that if a
11 follow up study was made with the Department of Fish and Game, more recent
12 data would reflect these populations.

13 Therefore, the Cook Inlet Commercial Crab Fishermen respectfully request
14 the federal government, the oil industry, and the people of these United
15 States to please leave what is left of our fishing grounds untouched. Cook
16 Inlet Sale number 1 has already put 60 percent of our most productive area
17 in jeopardy. All we ask is that you leave us what is left. The fishing
18 grounds in the above mentioned tracts are most productive areas. The deletion
19 of the above tracts will preserve the migratory route of the king and tanner
20 crab in Cook Inlet and preserve and protect the livelihood and future of the
21 Cook Inlet Crab Fishermen to which the communities of Homer and Seldovia
22 have a major dependence. The Cook Inlet Crab Fishing Fleet generates between
23 \$8 and \$12 million a year which is directly returned to the community at
24 its most basic levels. By basic levels, we mean the cannery worker, which
25 represents \$1 - \$2 million annual payroll for Homer and Seldovia. The money

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1 these people make is recirculated directly back to the base of the Homer
2 and Seldovia economy, not just for the three to five years such as the DEIS
3 projects the oil industry returns, but every year for the last 30 years
4 and if left unchanged for another 30 years.

5 The crab fishery in the lower Cook Inlet is a renewable resource.
6 A source of income and livelihood for the people of our communities for now
7 as well for the distant future.

8 Sale number 60 has the potential, like no other sale before, in its
9 exploratory and production phases to put the Cook Inlet Crab Fishermen out
10 of business. The Cook Inlet Commercial Crab Fishermen would have to move
11 on to new areas, Kodiak, Dutch Harbor, Bering Sea, taking with them many
12 jobs as well as their markets. This will in turn rob our community and its
13 citizens who depend on them for a source of income which has been the
14 backbone of our community for 30 years.

15 The exploration and production phases of Sale number 60 will severely
16 inhibit, if not prohibit, the commercial harvest which the fleet depends in
17 these areas.

18 We hope that this proposal is reviewed carefully and thoroughly. We
19 as fishermen realize that our country needs to seek energy self sufficiently.
20 We cannot fish without oil for our vessels. We feel that his proposal is
21 the most logical and sensible development of the two industries: oil and
22 fish. Let us make a shining example of the oil industry and the fishing
23 industry working side by side in harmony. Perhaps we can set an example
24 which will help solve many of the problems our two industries face working
25 together in the future in the state of Alaska." There accompanies a page

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1 from the studies in which Bob Tremain--the specific tracts that he has
2 requested to be deleted, and they are probably on the charts on the side
3 if anyone want to check them.

4 MRS. WUNNICKE: Thank you, Mr. Herbert, for presenting Mr. Tremain's
5 testimony. Now for whom would you like to speak?

6 MR. HERBERT: I would like to give you my presentation if I may. I
7 will have to get you copies later. I was no place³ near a xerox machine, and
8 I'm not a very fast typist.

9 Members of the panel, ladies and gentlemen, my name is Jim Herbert, and
10 I make my living commercially fishing for tanner crab, king crab and shrimp
11 in the lower Cook Inlet and Kachemak Bay. Based on my knowledge of local
12 fisheries, I would like to point out several errors in the graphic presentation
13 of data in the DEIS for oil and gas lease sale number 60. I don't know if it
14 is going to be worthwhile since we are so far away from the charts and if
15 it matters that much to you as it does to be recorded on tape, ah, if there
16 are any questions, I can maybe then point them out specifically on the charts.

17 MRS. WUNNICKE: It would be helpful if you could elude to them in your
18 testimony and then perhaps at the break, if you would meet with one of our
19 staff members and go over it in more detail with the chart, that would be
20 very helpful to us.

21 MR. HERBERT: Surely. Graphic Number Four which describes major herring
22 halibut, and bottom fish comercial fishing areas, fails to include broad
23 areas from Shinitna Bay southward to below Cape Douglas that regularly help
24 produce the average of over 650,000 pounds of dressed halibut each year.
25 There are also areas in the lower central region that are regularly fished.

1 Though mentioned in the text, Graphic No. 7, does not indicate the importance
2 of the bluff point crab sanctuary to the rearing and mating of tanner crab
3 as it did for the king crab in Graphic No. 5. The text speaks of dungeness
4 crab catch areas in outer Kachemak Bay, but Graphic No. 6 does not indicate
5 this at all. In 1979, 2.1 million pounds of dungeness were caught in
6 Cook Inlet, with a majority caught in this particular area. This represents
7 33 percent of the entire harvest of the dungeness crab for the state of
8 Alaska.

9 As a shrimp fisherman in Kachemak Bay, I am in concurrence with the
10 data given in-Graphic No. 8. Greater than 95% of all shrimp caught in our
11 area are Plankton feeders. The currents described in Graphic No. 2 are in
12 large measure, the cause of the abundance of plankton in Kachemak Bay which
13 sustains a carefully managed shrimp population. The same currents that
14 concentrate nutrients in plankton could easily concentrate oil from a major
15 or minor oil spill.

16 I strongly believe indirect consequences of an oil spill permeated through
17 a food chain carries more dire consequences than tainted crab meat and oily
18 birds. To continue the scenario above, oil concentrated by currents could
19 readily kill a portion of the plankton which in their diurnal migrations are
20 near the surface at night. With inadequate food resources, the shrimp
21 population would likely experience severe population declines, which having
22 an effected breeding stocks, to require many for recovery. The potential
23 exists for other species; say, ah, polluck, to subsequently occupy the
24 nitch left open by the shrimp die-off and might further prevent the return
25 populations. To quote Pasteur: "The role of the infinitely small is

1 infinitely great."

2 As I mentioned earlier, speaking on behalf of Bob Germain, the west
3 bank of lower Cook Inlet is the prime fishing grounds for king and tanner
4 crab. Oil exploration and subsequent development would do much to put lower
5 Cook Inlet crab fishermen out of business by occupying large portions of the
6 crab grounds with drill rigs, pipe laying barges, excuse me, and a large
7 traffic of supply vessels. To my knowledge, the oil industry has never had
8 to deal with crab gear and concentrations and for six months of the year,
9 this exists on the west bank of lower Cook Inlet. To complicate matters,
10 sever tidal currents often hold crab buoys just below the surface for many
11 hours of the day in the north portion of the proposed lease sale area, and
12 for as many as five days in the vicinity of Cape Douglas. Thus, held beneath
13 the surface and might easily be cut off by the propellers of working vessels.
14 Gear loss would apparently be compensated under the complities of the
15 fishermens' fund, but not the important crab income that those lost pots
16 would produce if they had not been lost in the first place. This is nothing
17 but a nuisance, frustration and time spent in coping with bureaucratic
18 compensation.

19 Under OCS sale number 1, tracts on the west bank were not leased and
20 subsequent exploration in areas more central to the lower Cook Inlet proved
21 little direct hardship to fishermen. To further this compatibility in the oil
22 exploration process, I strongly urge deletion of the following 33 tracts that
23 occupy major tanner and king crab fishing areas in the Cook Inlet. These
24 numbers are the same as I read before; I won't go over them.

25 In a broader opinion of the offshore oil problem, I acknowledge the

1 federal policy to further American oil self-sufficiency. Sooner or later, all
2 potential oil producing areas within the United States will be explored
3 and if warranted, developed. My preference as a fisherman is to postpone the
4 exploration and most certainly the development of tracts until oil potential
5 is exhausted. There exists a proven and relatively safe technology of oil
6 production on land and potential still exists on Alaskan lands. By postponing
7 offshore exploration and production, lead time could be given to develop
8 alternative energy sources to relieve dependence on petroleum and more
9 importantly, allow marine oil technology to gain the sophistication, to
10 minimize oil spills and maximize clean-up capabilities. This route could allow
11 ultimate oil developments with greater safety than now exists and hopefully,
12 would minimize destruction of marine renewable resources upon which I, as
13 a fisherman, now and in the future will depend. Thank you. (Audience applauds)

14 MRS. WUNNICKE: Thank you, Mr. Herbert. Nancy Swanson, who is sitting
15 there in the front row. At the break if you will take the time to point those
16 graphics out to her, we would appreciate it. Were you also going to speak
17 for Mr. Bledsoe, or?

18 MR. HERBERT: I was--I will reiterate. Mr. Bledsoe is on business in
19 California and he asked to be put down in favor of Tremain's and my proposals.

20 MRS. WUNNICKE: Is he also a commercial fisherman?

21 MR. HERBERT: He is a commercial crab fisherman.

22 MRS. WUNNICKE: Okay. Thank you, and if you will give copies to Ms.
23 Hensel. Thank you. Assa Bates speaking for Annabel Lund? Is Assa Bates
24 here? Steven Clark?

25 MR. STEVEN CLARK: My name is Steven M. Clark. My mailing address is

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1 box 1522, Homer, Alaska. I live and work here. I am unequivocally opposed
2 in any form of the proposed oil and gas lease sale number 60 in the lower
3 Cook Inlet and Shelikof Strait. I am unequivocally opposed to the proposed oil
4 and gas lease Alternative 1, 3, 4, 5 and 6, as listed in the Draft
5 Environmental Impact Study prepared by the Bureau of Land Management and the
6 United States Department of Interior. I am not alone in my opposition.

7 I am sure the Bureau of Land Management and the United States
8 Department of Interior is well acquainted with Homer's stand on this issue
9 in the past. The vast majority of Homerites testifying at the EIS hearings
10 conducted in February of 1966 and the following summer boasts a strong
11 opposition to any petro-chemical development in Kachemak Bay and Cook Inlet.
12 Since that time, substantial studies have been published regarding the
13 development of oil in the Homer area. In both studies, the Bering Gold
14 Report of 1976 and the Tam Study issued last summer, a resounding of the majority
15 stated they not want oil here. As I said earlier, I am not alone in my
16 opposition.

17 I count myself among the 74 percent of the residents surveyed in the
18 Tam study who said they discouraged any petro-chemical related industry in
19 this area.

20 It seems paradoxical to me listing the reasons for our opposition.
21 For you, the ones who compiled the Environmental Impact Statement have said
22 all already in explicit detail. You are the ones who talk about a 98 percent
23 probability of a 1,000 barrel spill should oil be drilled here. You are the
24 ones who mention the loss of fishing grounds and fishing gear. You elude to
25 adverse impacts that an oil spill has upon the fish, plant life, the people

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1 who live here. You tell us that Homer's life-style shall be irretrievably
2 lost once oil arrives. If you had the time, and I had the endurance, I could
3 be here all night at read back to you the reasons why we should propose the
4 sale of the proposed oil and gas leases, but I don't need to do that. You
5 have provided them in the DEIS report. Therefore, I will close by saying
6 this: I like many of the 74% people who were born here or came to this area
7 have found a beauty, a life-style, a way of living^g with the environment that
8 cannot be found where oil-related industry exists. They are not compatible
9 in my opinion. And if I ever doubt myself, all I ever need to do is drive
10 60 miles north to Kenai and see myself how things have changed since oil came
11 to town. Thank you. (Audience applauds).

12 MRS. WUNNICKE: Michael O'Meara?

13 MR. MICHAEL O'MEARA: Good evening. Thank you for hearing me. First
14 of all, I guess I should state my position, and I hope I won't be too
15 redundant in saying that I am opposed to oil and gas lease sale number 60.
16 I am also opposed to all petro development in the lower Cook Inlet.

17 My reasons--I guess this Impact Statement, as Mr. Clark said in the
18 previous Statement from the first sale, provided more than enough reasons to
19 oppose the sale. Those unavoidable, adverse effects that are mentioned over
20 and over. It is pretty frightening for people that have to face those. To
21 generalize, the chronic pollution--that's the low level of stuff that occurs
22 over a long period of time--I don't feel anyone has really addressed with the
23 way in dealing with that. Then, of course, there are the catastrophic spills
24 with such high potential that you mention again and again. There's the fact
25 that the industry--for that matter, no one has developed to my knowledge or

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1 to your knowledge, a satisfactory way of dealing with catastrophic spills,
2 especially not in the area of the lower Cook Inlet. Of course, there are
3 social and economic interruptions that do occur. Again, as Mr. Clark just
4 said, I don't need to stand here and repeat over and over again the things
5 that you have already told us. You know them very well. I will say that
6 the population growth will occur, there will be greater demand on services,
7 high taxes, of course, there will be more people in the area. There will be
8 a fall-off in wildlife, crime will, indeed, increase. Air and land traffic
9 will increase. There will be more noise, more agitation, more opportunity
10 to conflict with our fellow humanbeings. I do believe that you have given
11 us adequate reason to feel that the existing industries that are just in their
12 initial stages of development here, that tourism and commercial fishing will
13 be degraded as well.

14 I think perhaps even more important as a reason for my objection, my
15 opposition to the sale, is what I see as a fatal flaw in NEPA. In deed when
16 it was enacted and required such statements as this be made, many of us
17 didn't realize it, but there was nothing which required any kind of recognition
18 of all of these impacts nor any action. There was nothing to enforce care or
19 concern. This makes me feel once again, and after testifying at many hearings
20 in the past, that what I'm doing is rather futile. I think of the results
21 of the great transalaska pipeline debate. I think of the results of the
22 hearings on the Gulf of Alaska study, and then, of course, of the lower Cook
23 Inlet study. I think another reason is the failure on the part of perhaps,
24 you, whoever put together the Impact Statement to address real alternatives
25 to the sale. Obviously, I favor Alternative 2. I would like to read it, or

1 a portion of it rather. I don't do that often. The impact that you list
2 in this Statement of selecting Alternative 2, would be to eliminate the
3 proposed sale. "May reduce future OCS oil and gas production. Require
4 escalated imports of oil and gas and create a national need to develop alternative
5 energy sources to reduce the impacts from the cancellation of the sale."
6 Two things occur to me when I read that: one, I do think that in choosing
7 Alternative 2 would create a national need to develop alternative energy
8 sources. I think that need exists. I think no one would argue with that.
9 If indeed it did help us pursue that role, I would think that would be
10 reason enough to choose Alternative 2 because unless we do that, we are
11 going to be in a great deal of trouble no matter how much oil we find or don't
12 find in Cook Inlet.

13 Listed as the alternatives are increases in oil and gas imports, coal
14 gasification, and nuclear energy. I found it very startling that I didn't
15 see any mention made of increasing efforts toward the production of hydropower,
16 solar energy, the use of wind, biogas and many of the other things that are
17 really not productive at this point to any great degree, but which have
18 enormous potential. There was no discussion either of the country having to
19 develop those wasteful ways to use and produce the energy that we need.

20 Another reason for rejecting the sale is the lack of investigation of
21 the future value among developed oil sites and by that I mean simply this:
22 that if the oil is left in the ground, what value might it have to us if we
23 must indeed sometime go to it in the future. At this time, we are very,
24 very dependent on petroleum. I need not tell you this. You are aware of it,
25 I'm sure, as well. We are very dependent on petroleum for the production of

1 all agricultural products, everything from fertilizers to fuel to run the
2 equipment that harvest plants, processes agricultural goods. The manufacturers
3 of synthetics, pharmaceuticals, various kinds of necessary lubricants. With
4 the population of our earth growing at the speed at which it is now, and it
5 continues to increase at an enormous rate, I would think that the need for the
6 future generation in these areas, regardless of their need for fuel, might
7 outweigh any value that you could possibly achieved by taking the oil at this
8 time.

9 One more reason and perhaps meaningless to you, very important to me, is
10 my personal experience with oil. I lived in California for the first 27 years
11 of my life. I grew up around oil. Oil and long-term development. Two places
12 come to mind, that while not analogous to the Homer area, but different
13 geographically and geologically and socially, it still could represent the
14 future of this area if oil development takes place. One was in the central
15 valley and one was Mericopa, close to the central valley, but in the foothills
16 to the west. Many times I look through these communities long after their
17 oil boom had taken place, and the words that come to my mind are "dust,
18 lethargy and despair." An area that was physically (Indiscernible) of people
19 that was socially and morally great. The results of a boom-type economy are
20 not pleasant, and I would not like to see it occur here.

21 In conclusion, you might ask the question I often ask myself. Why
22 testify at a hearing like this if I really believe it is futile? One reason
23 is to remind some of my friends who are members of the Chamber of Commerce
24 or otherwise involved in businesses here in the community, that there are
25 those of us who continue to see oil and gas development here to be destructive

1 to the community, to the nation. In this case, even to the world.
2 you though that many of us who feel this way might be so resigned or
3 to appear--we exist, nonetheless.

4 Another reason to testify, of course, is for you. To register
5 concerns and objections, so that whatever decisions are made cannot be
6 on the basis or the basis of one person's opinion. I cared to testify, that
7 was willing to accept one's opinion. "What hope is there?"
8 I ask my friends, "What hope is there?" "What hope is there?"
9 would say this, there is some hope. That perhaps good for
10 smile upon us and that a discovery of hydrocarbons will be made and we
11 will be enriched. Thank you for hearing me. (Audience applauds).

12 ANNICK: Janet O'Meara?

13 JANET O'MEARA: In 1969 when Congress passed the National
14 Environmental Protection Act, it was a response to what we have today, to
15 us who were concerned about the degradation of our environment.
16 to heart, a milestone in our history. We thought that the
17 future of our children would no longer be bothered by the economic gains
18 present. We have sense began to wonder.

19 The first major test of the Act affecting us here in Alaska came
20 in the early 70's with the proposed construction of the Trans-Alaska Pipeline.
21 The Environmental Impact Statement for that project was a sorry thing.
22 much was left out, so much unconsidered. We did our homework well for
23 ensuing hearings. We analyzed the Statement, digested biological data,
24 pared maps and tapes, prepared testimony, and finally, when it came
25 the environmental impact was being ignored, filed suit. In 1971

1 phenominal margin, Congress spoke again. In effect, overriding the guidelines
2 to NEPA and ruled that all the requirements had been met and prevented the
3 proposal from futher judicial review. So much for the first test.

4 In subsequent years, the writing of Impact Statements became more refined,
5 became recognized apparently, that a well prepared, well documented, thoroughly
6 considered document was an almost certain safeguard in litigation. In 1976
7 residents of this area were provided with the Draft Environmental Impact²
8 Statement for the first proposed offshore oil development lease sale. The
9 Statement was a masterpiece of candor. Again and again, it pointed out the
10 lack of adequate information and the environmental safeguards that needed further
11 study and the virtual certainty of adverse social and environmental impacts.
12 Doubters began to hope again. A new, more environmentally conscious administration
13 was in office and the project was damned by its own words. In February of '77,
14 the sale was held in spite of the preponderance of testimony against it.
15 Not only did it procede unhindered, but some of the most sensitive and vulnerable
16 tracts, previously deleted by one of this country's least environmentally
17 aware administrations, were reinstated. So much for the second test.

18 The government and industry it had found a loophole. NEPA merely
19 requires that consideration be given to environmental impacts, not that any
20 real action be taken for those considerations. We now have before us a new
21 Impact Statement. We have another proposed OCS lease sale. A Statement
22 every bit as daming as the first, particularly with regard to the impact on
23 Kodiak and the villages of Port Lyons, English Bay and Port Graham. We were
24 told that among the irreversible and irretrievable damages would be the
25 destruction of traditional values, social interrelationships, subsistence

1 resources, and quality of life. We have before us the prospect of 11 major
2 spills, four of them in this project alone, and a 99 plus percent probability
3 that at least one major spill will occur with a 94 percent chance of reaching
4 Cook Inlet shores within 10 days. One area biologist has estimated that spill
5 on the magnitude of the Argo Merchant would result in a one inch thick
6 blanket of oil from shore to shore. Not a very pleasing prospect.

7 Where environmental consideration is given equal weight with economic
8 ones, it is failed to be withdrawn. But we don't have any real hope or
9 expectation that this will ever be the case. On economic grounds then, there
10 is also good or at least adequate reasons to cancel the sale. Part of the
11 Statement itself--according to the Statement itself, there is only a five
12 percent probability that oil will be discovered in economically recoverable
13 amounts. Industry interest in the area appears to be slight as evidenced by
14 the lack of media propoganda focused our way. If this is true, then it may be
15 that the sale will be cancelled. That would be a good thing, but we will not
16 fool ourselves. We have long since relinquished hope having any significant
17 influence upon industry's operations. We make our statement today merely to
18 register our opinion offically so that it cannot be said later that no one
19 cared. We make our statement because we must. To do otherwise, would be to
20 surrender to apathy or despair and we are not ready for that. Thank you.
21 (Audience applauds).

22 MRS. WUNNICKE: Peggy McIntyre:

23 MS. PEGGY McINTYRE: I left all my hard facts at home expecting to speak
24 tomorrow, but I feel like I should say something. So maybe a garbled message
25 is better than none at all.

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1 MRS. WUNNICKE: We would appreciate your sending them in writing, if
2 you will.

3 MS. McINTYRE: Oh, I will. I feel like I should also say something
4 here. Ah, I am unequivocally opposed to any kind of oil lease sale. For
5 20 years, I have been encouraging this country in any way I could to decrease
6 its reliance on non-renewable resources. At that time for 20--and my efforts
7 have increased, though apparently⁹ none of us have been heard. In the late
8 50's we noticed there were these big cars running around using up gasoline.
9 Well, what was going to happen when all of that was used up? It was never
10 going to be used up. We were going to have it forever. So here we are today.
11 Our fisheries industry is in danger. Our subsistence culture is in danger,
12 and still we are being asked to encourage the oil industry to come in. When
13 I said, I don't want the oil industry in Homer, I don't just mean just Homer.
14 I mean anywhere. I think that we need to reduce the oil industry. We need
15 to reduce the taking of oil out of delicate ground, out of delicate oceans.
16 I realize that some drilling has to continue, but not as panic stricken as
17 we are doing it right now. I think that we need to concentrate our energies,
18 as I have thought for the last 15 years, on solar energy, on wind, on
19 other means, on reducing our needs. We don't have to run 60 appliances in our
20 homes. We don't have to heat our homes to 75 degrees when we are not there.
21 We can rely on simpler means. There is one other thing. Ah, basically, I
22 guess what I am talking about which is national interest, which is always
23 thrown at us when someone wants us to swallow a bigger pill. It is all in
24 the national interest. In the particular case of Homer, although a small
25 place, a small impact maybe, but I think the same thing is happening in other

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1 places. That people are moving away from the main culture. We are trying to
2 develop a culture that is not so dependent on the fossil fuels. We in
3 Homer have access--because the population is not too great for the environment
4 yet. We have access to coal on the beaches; we have access to wood. We do
5 not have to drive back and forth to work everyday. Many of us have chosen to
6 work parttime at a job and supplement that by planting our gardens, freezing
7 and refrigerating³ our vegetables, fishing. Most of my protein, I'm sure, comes
8 from the base of the Spit. I wonder how much mussels will be left there.
9 There are two kinds of fish that can be caught during the season. A person
10 can really supplement--not only supplement their income, many people hardly
11 have to depend on the consumer industry at all, which some of us see as a bad
12 thing. Some people feel we should buy all of our food packaged at the store.
13 This is the way our economy has traditionally been run, but I think it is not
14 the most economical way, if not the most ecological way. I think very soon
15 it is going to be impossible to live this way. I think we are going to find
16 ourselves in a crisis.

17 But what is happening here is kind of a gradual transition. This is
18 a traditional way in Homer since the homesteaders, such as Reuben Call, were
19 here in the 30's. They came, they settled on the land. They lived on the
20 land. It is still feasible. Most of us have to work in town, a certain
21 amount, but it has gotten to be kinda half and half. I think this qualifies
22 in a certain sense--a tradition--in the sense of a tradition that is recognized
23 as a way of life that a major portion--I'm not sure that most, but I would say
24 that maybe half of the people in Homer, in the Homer area, live partially on
25 subsistence, partially on a job, that we don't--aren't all, you know, have an

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1 eight to five job, five days a week. I think that is very important.

2 Another thing that comes out of this is that we are doing a lot of
3 experimentation with alternative energy. Steve Smiley (ph) is the--is our
4 local alternative energy consultant. There have been houses using various
5 degrees of solar energy in Homer. There are people building a windmill in
6 Homer. Ah, recently or maybe just pretty soon, there is a team from Denmark
7 coming over to give technical advice on building windmills. I think this is
8 a good start. It may be small, but I think this is going on all over the
9 country in little ways. I think it is part of what use to be called the
10 Green Evolution. I think it is going on. I'm sorry, I'm so nervous.
11 But the main thrust of it is is that I think all of this is in the national
12 interest, and I think that Alternative 2 is good for the reason that Michael
13 O'Meara said. That if we don't sell these leases, if we retained the oil
14 in the ground--which would probably be later--and I'm not saying we can just
15 stop using oil right now. I'm saying, yeah, to kinda slow down a whole bunch,
16 and we can't count on money for the economy because a boom economy, everybody
17 knows, is not a healthy one, especially in Homer. Homer is very marginal.
18 All of this stuff works in Homer, the different life-styles, because there
19 hasn't been a big rush. It has all kind of worked its way out. People have
20 jossled (sic) and fit it in. It is also a very community-orientated place.
21 It is very conducive to this. There are other places like this, too, and
22 many of them have been ruined by the introduction of oil. Not because these
23 people who come here work for the oil companies are bad themselves, it is
24 just that they have a different life-style, they are more opportunists. Um,
25 I didn't put that very well, but maybe you see what I'm trying to say. I think

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1 that to destroy this and to destroy--run the risk of destroying even part of
2 the fisheries, part of the subsistence, and already, already the subsistence
3 fisheries are being limited by Fish and Game because they were taking too
4 many fish from the commercial fishermen. There's a movement to reduce the
5 size of the nets and limit the season and areas. I feel that a person has
6 a right, a basic right, if he wants to go out and get his own food, I don't
7 think that he should be required to go buy at a store, and we can still do that
8 in Homer. I think that everything possible should be done to contest that.
9 Thank you very much. (Audience applauds).

10 MRS. WUNNICKE: Thank you. Roseleen Moore? Danny Parks? Thanks for
11 being patient.

12 MR. DANNY PARKS: I would just like to say that I am opposed to the
13 oil and gas lease sale. I have only lived in Homer a year, a little over a
14 year, and I've had no trouble finding work. People say that Homer needs the
15 employment, and I've had no trouble finding work. Things get a little slow
16 in the winter, but if you want to live here, you can. The oil would bring
17 a few jobs to Homer, but I think it would eliminate more than it would bring.
18 I am opposed to it. Thank you. (Audience applauds).

19 MRS. WUNNICKE: Frank Griswold?

20 MR. FRANK GRISWOLD: I am also opposed to the oil and gas lease sale.
21 I have lived in Homer for five years. I have been a commercial fisherman, and
22 I currently in running Glacier View Garage. I am not a member of the Chamber
23 of Commerce, and I in the future will not be a member. (Laughter and
24 applause). I think what it boils down to is Homer is unique and probably the
25 best part of this whole deal is that you people can share a part of our town

1 and maybe spend a little time here and realize that there is something
2 different about Homer. We don't want to be like everybody else. I don't
3 want to be rich. I just want things to stay like they were, totally like
4 they are, and I don't want to leave. Thank you. (Audience applauds).

5 MRS. WUNNICKE: Mr. Gary Worby? Worby? W--O--R--B--Y. Ah, I suggest
6 we take about a five minute stretch and reconvene in five minutes. We still
7 have to hear from Mr. Barnett.

8 MR. BOB BARNETT: Madam Chairman, members of the panel, ladies and
9 gentlemen. My name is Bob Barnet. I am a 59-year resident of Alaska, with
10 15 years in Homer. I have been a minor, a locomotive fireman and engineer,
11 plumber, plumbing contractor, fisherman. I've fished for over eight years in
12 Kachemak Bay, I was a shrimp fisherman, and an airplane pilot. I'm a
13 conservationist in the sense that I believe in the wise use of our resources.
14 I would like to say as I've said before that I believe anyone involved in
15 resource management is morally and legally obligated to promote the development
16 of and coordinate the activities of the various industries without
17 discrimination and in a manner that would be beneficial to all. I believe
18 that Homer and other areas of the Kenai Peninsula have the potential for
19 industrial development, including agriculture, logging, mining, tourism, oil
20 development and the continued expansion of the fishing industry. With oil
21 development in the lower Cook Inlet, there is a good possibility of port
22 development in Homer, which we badly need. With good management and modern
23 methods and a sensible attitude, we can create and maintain a healthy
24 economy as well as a pleasant environment. I would like to see the lease
25 sales in the lower Cook Inlet go ahead as planned, and I believe that

1 development can go ahead without hurting the fishing industry. I've watched
2 the oil development in the Cook Inlet area from the very beginning. I have
3 seen drilling in Kachemak Bay and no one objected. People supported it. I've
4 seen literally no damage to the area or the fishing industry except for some
5 pots lost, which can and probably has been eliminated by creation of a
6 corridor. Certainly, traffic can be directed to take care of that problem.
7 I think the bulk of the hysteria created about the negative effects of oil
8 development has been created mostly by the influx of a group in the last
9 few years who carry the banner for the radical environmental groups. I
10 believe it is time that we support our--create--I believe it is time if we
11 are to support our every-increasing population to encourage industry, provide
12 jobs and eliminate the foodstamp economy. I've heard several people make
13 reference to the survey that was made in the winter of '76 in regard to the
14 oil lease sales in Kachemak Bay. It was the most successive survey that has
15 ever been made in Homer to the best of my knowledge. Leo Rhode, our
16 representative of the State Legislature in the House, had 1700 communications.
17 He eliminated all the duplicates. He eliminated those that he knew were made
18 by school children. He had a balance of over a 1,000 communications, I believe,
19 and 60 percent opposed buying back the leases. That's really all I have to
20 say, and I thank you. (Audience applauds).

21 MRS. WUNNICKE: You are referring to leases by the State of Alaska?

22 MR. BARNETT: Yes.

23 MRS. WUNNICKE: Any other questions of Mr. Barnett? (No response).

24 Thank you. Ms. Beth Cumming?

25 MS. BETH CUMMING: I would like to state that I am opposed to the oil

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1 lease sales in the lower Cook Inlet, both now and for the foreseeable future.
2 I am opposed because of the threat to marine life, including birds, mammals,
3 fish, and shell fish. It could have a devastating effect on the fishing
4 industry, an industry that is self-sustaining, unlike the oil drilling, which
5 has a definite lifespan. I am opposed because of the effect an oil-related
6 economy would probably have on the life-style, quality of life, you might call
7 it, of the lower Cook Inlet area with the influx of a more transient group who
8 have come only for the bucks to be made. As was stated, Valdez and Fairbanks
9 and Kenai are examples of these negative effects.

10 These reasons really aren't the main one that I came to address. If
11 this is not a practical objection or a realistic one, it is at least a
12 symbolic objection. I am opposed to the sale because of what I think of our
13 lack of accountability. I don't think that I, Homer, Alaska, the U.S., none
14 of us, really is ready to be accountable in our use of oil. We are told time
15 and time again by experts that major oil sources, including potential
16 undeveloped oil sources, will be exhausted in the predictable future. Yet
17 we are still using oil like it is never going to quit flowing. We have come
18 to regard as essential many things which once would have been considered only
19 very extreme luxuries by almost all the world's population. Our transportation,
20 manufactured goods and most services are made available to us through the
21 utilization of vast quantities of oil. We take for granted such oil dependent
22 luxuries and 2,000 square foot houses, one week vacations to Hawaii by jet,
23 automatic dishwashers, electric washers, trail bikes and on and on. These
24 are almost unheard of in other parts of the world. I think continuing with
25 these excesses in not being accountable. They have a large price tag. That

1 pricetag is that we will be depriving future generations of Americans and
2 all the rest of the globe of oil which they will require just to meet their
3 basic needs. It seems pretty obvious at this point in time that alternative
4 energy sources are going to take a long time to develop to satisfy the needs
5 of a world that has billions of people. I think that our use of what remains
6 of the U.S and the world-dwindling supplies of oil should be thought out as
7 a stop-gap usage. Oil should be thought of as a precious commodity to be used
8 very sparingly, while alternative sources, especially renewable sources, are
9 being developed. And while we are adjusting our life-styles, most probably,
10 very drastically, to conform to the output of the renewable sources. I don't
11 see it happening in five or ten years; it may be generations, but we've got to
12 make a start, and that's being accountable. Right now, I see tapping the
13 lower Cook Inlet area, that and other areas, as a means of allowing ourselves
14 to continue thinking that we can fritter away the world's remaining oil
15 supplies. Hiding our heads in the sand, pretending that the oil will always
16 be there and that's not being accountable. Thank you. (Audience applauds).

17 MRS. WUNNICKE: Eric Ringer? Joyce Dey?

18 MS. JOYCE DEY: Madam Chairwoman, members of the panel. My name is
19 Joyce Dey. I am a resident of Homer and would like to speak to the issue
20 of the oil and gas lease sale 60. All statistics and facts concerning effects
21 on the environment that I have used in my position are taken from the Draft
22 Environmental Impact Statement. If lease sale number 60 is approved and oil
23 development is begun in the Lower Cook Inlet/Shelikof Strait region, we stand
24 a 5 percent probability that oil will be discovered in economically recoverable
25 amounts. If in fact this does happen, a maximum of between 151,500 and 342,200

1 barrels of oil could be produced daily at peak production, along with between
2 265.2 and 598.9 MMcf of gas.

3 At the same time, we will be facing a 94 percent chance of a major
4 oil spill affecting the environment. If such a spill occurred, intertidal
5 dwelling animals such as razor clams would be destroyed outright or tainted
6 for up to 10 years. There would be a 25 to 75 percent mortality rate
7 of bird species. For those species suffering a 50 percent mortality rate,
8 if would take up to 50 years to replace the birds. An entire colony of sea
9 otters numbering 2 - 4,000 living near Kamishak Bay and the Shuyak-Afognak
10 Island area could be destroyed. Sea lions in this area could lose from 1 to
11 2 years of productivity, depending on the time of the spill with regard to the
12 life cycle of the sea lion.

13 In order to have the oil we lose the lives of many marine creatures.
14 In order to preserve the marine environment, we lose the oil and its many
15 products. We can't have both. That is very clearly stated in the Draft
16 Environmental Impact Statement. Which do we want?

17 While trying to answer that question myself, I had to look elsewhere
18 than the facts. The facts were clear. Whichever position I took on the
19 issue of offshore oil development, I would lose something. The promoters of
20 oil development could try to convince me of the urgent need for discovery
21 of more oil reserves within the boundaries of the United States due to current
22 international unrest. If the present American way of life is to be maintained
23 that need for oil is real. But, I must be willing to participate in deliberate
24 destruction of members of the marine environment.

25 Those opposed to oil development could try to convince me of the serious

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1 impact on the environment resulting from drilling activities and oil spills,
2 of the number of birds, fish and animals that would be killed. But then I
3 must be willing to give up a substantial amount of oil and many of the
4 luxuries it provides to the Americans.

5 Thus, it was clear to me that my decision must be based on priorities
6 in my life. I submit to you, you who make the final decision concerning the
7 approval or non-approval of the sale that you, too, must in fact make your
8 decision based on where your priorities lie. I would like to tell you of
9 my priorities in the hopes that it will help you to sift through your own.

10 To have oil or not to have oil is not a matter of life or death for man.
11 It is a matter of life and death for a style of life only. If tomorrow all
12 oil were cut off from man's use, man would not be destroyed. His manner of
13 life would be destroyed, but he would be forced to adopt another, and I'm
14 sure he would. The drilling of oil and oil spills do in fact kill living
15 creatures. For sea otters, sea lions, razor clams, marine birds, salmon fry,
16 and halibut larvae, oil is a matter of life and death.

17 Are you willing to sacrifice the environment for the conveniences that
18 oil brings into our lives? Are you willing to make this sacrifice especially
19 when there are other methods to bring about the same conveniences that do not
20 kill living creatures? Are you willing to make the sacrifice especially when
21 we as a society are wasteful of our energy resources?

22 I am not willing to make that sacrifice. Our misuse of the environment
23 will only bring our demise. It is time now to become better stewards of this
24 planet, our home, before we totally destroy it. Many of us have come to
25 Homer because it is a place where we can change our life-style to better be

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1 in harmony with the planet. It can be done, and now is the time for we,
2 as a nation, to make such priority changes and such commitments. I ask you
3 to consider these thoughts seriously and put a stop to offshore drilling
4 now. Thank you. (Audience applauds).

5 MRS. WUNNICKE: Mr. Christopher Skelly?

6 MR. CHRISTOPHER SKELLY: My name is Chris Skelly. The last name is
7 spelled as in the oil. I'm not here tonight for a--I'm a commercial fisherman
8 and a boatbuilder. I'm a boat owner as well. The whole thing really sort of
9 amazes me that the consideration is even being made actually. Ah, there's
10 an area of dungeness crab, which isn't on your chart there. It's one of the
11 most prolific breeding grounds in Alaska for dungeness crab. One of the
12 things that I find especially unique about it is that we produce the best
13 dungeness crab. I'm sure of it. They are a lot larger in size. It's given
14 us a marketing edge that has allowed us to deliver our crab to Seattle and
15 other markets. We received--by the time it gets down there, we receive less
16 per pound and for our value and everything, it's still worthwhile to put them
17 on the plane, fly them right on down to their own doorstep right in West Port,
18 you know. I'm sure that a lot of the West Port boys up here would agree.
19 Ah, we have an interesting--there's been a lot of studies done in relation to
20 currents, tides and balls. I've seen--I've picked them up. I find them
21 really interesting. I'm always studying them, looking at my recorders, and
22 trying to figure out what is on the bottom here. Ah, I can't possibly imagine--
23 this whole area which is coming up for lease, ah, we have southwest winds here
24 almost--not continuously, but a majority of the storms come out of the south-
25 west in the winter, and, ah, any silt from any of these drilling sites, ah,

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1 whether exploratory or under production, or whatever, is going to right down
2 through all the crab areas, where I fish halibut, where I fish salmon and
3 it is going to funnel right up towards Kachemak Bay and the whole area. Ah,
4 any southwest wind, and I've sat out there with gillnets and just--with my net
5 out there with no wind at all, just the tidal action can take me back and
6 forth. I've drifted 30 miles in a single change in tide. It amazes me the
7 rapidity, or the rapid nature of the movement of the things across the
8 surface of our water. Wind is an incredible factor. It's--to me, I've never
9 seen any--the data that I have been confronted with in relation to reclaiming
10 oil--from what I've heard and what has been quoted to me, is that anything
11 greater than a three foot shock, it's really hard to recover. Well, I don't
12 know of too many days out in Kennedy and Stevens entrance and that whole area
13 that's out there, where there is anything but a three foot shock. I mean,
14 that would be ideal fishing conditions right there. That would be a piece of
15 cake. We would love it. So I--it really makes me--I should even look at my
16 notes right here. As I've--I've fished a lot of different kinds of boats.
17 I've been fishing here for the last seven years. I've fished on one of the
18 larger boats that some pretty sophisticated equipment. I've had a chance to
19 take a look at some of our electronic recordings from the bottom of the ocean.
20 It always amazes me that the prolific nature of life on the bottom of our
21 Bay in the Inlet here--I've gone up and down the Shelikof Strait and I've
22 fished off the Bering Sea and I've fished off the Coast of Washington, and
23 I've dragged up and down, probably--I don't know--seven or eight different
24 related commercial fishing ventures. But when I go over this Bay, the nature
25 of it is--I think it is really a very sanctified, incredible area. When you

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1 look out nere, it is as beautiful below the water as it is above. It's just
2 teaming with life. You can see it on your sounding devices and things. It's
3 just dense, dense plankton and dense feed of all different kinds. There's
4 little things swimming around eating bigger things and bigger things eating
5 them and, gosh, there's--you know, we've pulled 200 pound, 300 pound halibut
6 out there and stuff. It is amazing that whole food chain. It's just--you
7 know, ⁹everything is down there, swimming around, eating on everything else.
8 It seems like we produce the best food in the world right here. It is some-
9 thing that is real rare, real valuable, and real important and sacred to all
10 of us. I sure hope you get a chance to enjoy some of it sometime. I will
11 conclude with that.

12 MRS. WUNNICKE: Thank you, Mr. Skelly. If you will show us of the
13 dungeness crab area.

14 MR. SKELLY: I did during the last break.

15 MRS. WUNNICKE: Oh, you did. Thank you. Are there any questions of
16 Mr. Skelly? Thank you. Mr. John Child? Mr. Arnold Melsheimer?

17 MR. ARNOLD MELSHEIMER: I am Arnold Melsheimer from English Bay. I am
18 not a hell raiser. I am meek and mile. (Laughter) Ah, I think we have been
19 led by some to believe that the lion and the lamb shall lie down together.
20 That's biblical. And coming from a bible believing community, I believe it.
21 But I will tell you right now that the lamb had better not go to sleep.
22 You can lay down with the lion, but you sure don't need to figure on going
23 to sleep. The Draft EIS only begins to touch on the importance of subsistence
24 and the effects that oil spills and the population expansion in Homer will have
25 on the villages of English Bay and Port Graham. The OCS office person

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1 responsible for the section on subsistence, Marsha Bennett, did a commendable
2 job of trying to write about something on which there is currently very little
3 information. We regret that the results from the survey conducted by the
4 North Pacific Rim were not in a more usable, easily readable form at the time
5 of her request. As the data analysis is much further along now than it was
6 last April and much of the information from the surveys has been tabulated,
7 some corrections need to be made and some additions made to the subsistence
8 section of the document.

9 Table III Cld-2 breaks down the subsistence resource summary into
10 primary and secondary uses of some of the apparently more important resources.
11 While this is perhaps an accurate representation of the resources that were
12 used in large quantities than other, it is potentially very misleading. It would
13 be erroneous to use that table to identify some resources as being more
14 important than others. It would be like saying that because I only drink
15 coffee once a day, it is not as important as something I might have two or
16 three times during the day. But that cup of coffee first thing in the morning
17 could be essential to me.

18 Also, in the table it should be noted that the figures that were used
19 only indicate the resources used in a single year, 1979. As you are
20 probably aware, resources vary from year to year in abundance and accessibility.
21 Fish are more plentiful in some years than in others. Sometimes the birds
22 are closer to the villages than others. The word "subsistence" describes
23 an entire life-style, not a reliance on a few select resources.

24 However, it is very important to note that the most significant sources
25 of protein, in fact, all of the protein except for a few ptarmigan,

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1 rabbit, moose, and bear are resources that are closely linked with the ocean.
2 Fish, shellfish, marine mammals and waterfowl make up the core of the
3 subsistence diets of the villagers in English Bay and Port Graham. A crucial
4 impact that the DEIS does not address is the comprehensive effect of an oil
5 spill on the subsistence resources. It breaks down everything and suggests
6 how oil would affect the individual resources, but it doesn't spell out the
7 fact that a major spill would critically effect all of the crucial subsistence
8 resources. There are virtually no alternative resources for the villagers
9 to turn to, as big game is scarce in the area. This past winter, English
10 Bay residents noticed that even the tomcod which they use in the winter
11 months disappeared when there was an oil spill in the lagoon from the school
12 oil storage tanks.

13 A substantial oil spill could essentially wipe out at least for one
14 year all the key subsistence resources that villagers utilize. That is not
15 to discount the importance of the berries and greens that English Bay and
16 Port Graham so diligently gather. The vitamins are very important to their
17 diets. However, last year, of the 59 different subsistence resources that were
18 used by 25 percent or better of the household in English Bay, 36 of these were
19 protein sources which would be threatened by an oil spill that reached the
20 shores. Of those 36, 26 of those resources were used by 50 percent or more
21 of the households.

22 To give you a more accurate picture of English Bay people's reliance on
23 the subsistence resources, over 88% of the households reported that resources
24 which were locally caught, shot or gathered made up 50% or more of their
25 diets.

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1 The survey also helps identify the village's economic dependence on the
2 fish resources. Less than 40 percent of the households in English Bay have
3 members employed full time. Better than 57 percent of the households have
4 people employed in fishery-related activities, which includes both the
5 fishermen and cannery workers.

6 Statistics from the survey further reveal just how much English Bay
7 hasbrought into the cash economy. 81 percent of the households in the
8 village have combined incomes of \$15,000 or less. 58 percent of the households
9 in the village have incomes of \$10,000 or less. To put that in perspective, the
10 mean number of people per household is slightly over four.

11 English Bay has consistently avoided development and invasion by out-
12 siders over the past few decades. It wants to stay the way it is. This is
13 reflected by its efforts to prevent a road being built between it and Port
14 Graham. And they are our relatives in the neighboring village. By the fact
15 that English Bay holds on to its young people. They either stay, or they come
16 back to English Bay to raise their families. They prefer fishing to skilled
17 jobs which take them away from the village. If their past history is a clue
18 to the future, few, if any, of the people will seek employment on rigs. Oil
19 development will not bring more money into the village. It will only
20 accelerate the rate of inflation in Homer, and bring more people to the Cook
21 Inlet to use the same resources. Therefore, it is not surprising that the
22 entire village, including the English Bay Corporation, is opposed to any
23 further leasing in the lower Cook Inlet.

24 I have some real concerns about the offshore oil pollution fund
25 regulations. The general section leaves a lot of room for interpretation.

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1 Possibly, this fund does address the losses of subsistence resources, and
2 provision for compensation. As it does not spell this out directly, however,
3 I would raise several specific aspects which might be addressed in order for
4 this fund to adequately mitigate adverse impacts: 1. Some provision must be
5 made to replace or compensate for the possible loss of subsistence resources
6 that are part of many of the villager's diets. If a dollar value is assigned
7 to resources such as salmon, crab, ducks, and seal, then it must be an amount
8 that will replace these resources with other forms of protein, and this
9 amount must include the necessary airfreight expenses for getting it over to
10 the village. 2. The provisions must address more than one year, in the
11 instance of damaged salmon stocks, damaged waterfowl populations, sea mammal
12 populations, shellfish habitats and populations. These impacts may last for
13 more than one or two years. 3. The fund must apply to the households that
14 depend on sharing. There are many households of elderly, disabled, or
15 single parent homes, with whom the villagers traditionally share food. 4.
16 I think that the difficulties in making the determinations of the value of
17 subsistence foods and the cost of replacing them are self-evident. It will
18 be no easy task to make such assessments. It is worth noting that the whole
19 process is very liable to have negative effects of its own on the villages.
20 Not only will giving people money, or food stamps, or substitute foods not
21 restore the pride and satisfaction of having harvested it themselves, but
22 it also cannot compensate for the interruption of the whole relationship of
23 the people and the environment. It produces stress. Although stress is not
24 something you can easily measure, it is not an effect to be overlooked. It is
25 what you experience when the freezer is getting close to empty and you cannot

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1 go out and get a seal, or some tomcod or a few ducks. It is what you feel
2 when your whole way of life has been disrupted, and suddenly people are
3 asking you what you eat, and how much, and telling you what you can have to get
4 by for the next few months or few years. I am not saying that the mitigating
5 measures will have more adverse effects than the possible oil spill itself,
6 but unless it is handled carefully, with sensitivity, the potential is there
7 just for that.

8 One of the concerns I have is the assessment that waiting for the
9 completion of the Kenai Peninsula Borough Coastal Development Program would
10 have little marginal benefit, that the award of leases poses no immediate
11 direct impact. Perhaps there is no immediate direct impact, but there is no
12 guarantee that the Coastal Development Program is going to be done in the
13 scheduled time frame. None of the other coastal zone management plans have
14 been finished and implemented within the scheduled time. And the DEIS is
15 very accurate when it reports that the Borough's draft coastal management
16 program has not been distributed for view. The public meetins were held, but
17 all that accomplished was that the villages learned they don't know what coastal
18 zone management is all about and the contractors learned that they did not
19 know what the villages were doing and what their interests and uses of the
20 coastal zone area were. The Draft does not begin to address or protect
21 English Bay or Port Graham concerns and interests.

22 Port Graham is currently seeking the designation of an Area Meriting
23 Special Attention. English Bay is trying to find out how to best protect
24 their interests.

25 At the moment there are no policies for management of the resources which

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1 reflect village attitudes. The Borough and the contractors have no knowledge
2 of the activities and uses of the villages. The Draft Coastal Development
3 Plan makes general remarks about subsistence activities occurring in the areas
4 and apparently there are maps which propose certain classifications for
5 various areas around the villages, but these do not reflect any input by village
6 residents. What this means is that the Coastal Zone Management Program that
7 the Kenai Peninsula Borough is undertaking has essentially not even included
8 the villages of English Bay and Port Graham.

9 Since oil exploratory and development activities will affect these
10 resources relied upon by the villages, the villages have a right to have some
11 say in the management of the resources which they use and a right to protect
12 the lands which belong to them. In order for this to happen, more leasing
13 cannot occur within the next few years. (Audience applauds).

14 MRS. WUNNICKE: Thank you. We would appreciate having copies.
15 I guess it is Ms. Lee Stratton?

16 MS. LEE STRATTON: Good evening. My name is Lee Stratton and I work
17 for the North Pacific Rim, the regional, Native non-profit corporation
18 serving the Chugach Native region. Tonight, I speak on behalf of the villages
19 of Port Graham and English Bay. Both villages are enrolled in the Chugach
20 region. They are also within the Kenai Peninsula Borough.

21 As both villages have asked me to testify for them today, I think it
22 might be helpful if I explain in a little more detail my relationship to
23 English Bay and Port Graham.

24 At the request, more than a year ago, of concerned citizens in the
25 villages, the North Pacific Rim began investigating subsistence concerns. For

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1 the past year I have been researching, conducting surveys and assisting these
2 villages in addressing issues and situations which affect their lifestyles and
3 the resources which are an integral and essential part of that life-style.

4 The village councils and corporations in both English Bay and Port
5 Graham have met to consider the DEIS and the effects of Sale 60 on their
6 villages. Both village councils and corporations have asked me to testify on
7 their behalf as I am well acquainted with their concerns and with their
8 life-styles. As no one from Port Graham was able to attend the hearing today,
9 I have with me a resolution which passed last week. It reads as follows:
10 "Whereas, the village of Port Graham is opposed to the leasing of tracts in
11 the lower Cook Inlet and Shelikof Strait and has comments on the Sale 60
12 DEIS, and Whereas, members of the village council are unable to attend the
13 public hearing, and Whereas, Lee Stratton from the North Pacific Rim has
14 studied Port Graham subsistence usage and knows our concerns, Therefore, Be
15 It Resolved that Lee Stratton tesify on the behalf of Port Graham at the
16 Public Hearing on Sale 60."

17 The first part of my testimony will be confined to c-ncerns of the
18 village of Port Graham. If time allows, I will also address some other
19 concerns that are shared by both the villages. If time does not allow, you
20 will hear more from me in Anchorage.

21 Members of the Port Graham Corporation and Village Council have already
22 reviewed, revised, and approved my comments.

23 As you may have noticed, Arnold Melsheimer mentioned Port Graham in his
24 comments. As many of the concerns that English Bay have are shared by the
25 people in Port Graham, they were included. This was done with the approval

1 and knowledge of Port Graham people. The intention was to avoid unnecessary
2 repetition of concerns.

3 It is not my intention to belabor the point, but I would like for it to
4 be very clear that my following comments accurately and authoritatively
5 reflect the attitudes of Port Graham. I emphasize this because Port Graham
6 in the past has not diverged from the Borough position on oil development and
7 no one from Port Graham was able to be there. My comments also will not be
8 limited to strictly subsistence concerns, as Port Graham's concerns are
9 more diverse, and I am the only one here representing their interests.

10 The Port Graham Village Council and the Port Graham Corporation, both
11 resolved that they are in favor of the no sale option with the effects of oil
12 development on the commercial fishery playing a dominant role in their
13 deciding on the no sale position. There were no alternatives or tract
14 deletions which would satisfactorily address and mitigate the adverse effects
15 about Port Graham is concerned.

16 The northern tracts in the Cook Inlet sector are important to Port
17 Graham commercial fishermen who driftnet there. I am told by Port Graham
18 fishermen that the graphic illustrating fishing areas is incorrect. If my
19 information is correct, the driftnet area extends further south to Chinitna
20 Point. This means that there are a greater number of tracts within the
21 current driftnet area.

22 The loss or limiting of commercial driftnetting could critically effect
23 the fisherman and the economy of the village. This impact is not addressed in
24 the Draft EIS. It is estimated that the driftneeting in the Inlet constitutes
25 anywhere from 25 to 50% of the Port Graham commercial fishing incomes. The

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1 Fishermen's Contingency Fund makes no apparent provision for losses of income
2 due to disallowed fishing in an area of exploratory or drilling activity.
3 Not only is the loss in income from not being able to driftnet a major
4 consideration, but in addition, fish are frequently saved from the commercial
5 catch for personal use and to share with those in the village who are not
6 able to get out and get fish for themselves.

7 Port Graham fishermen were also very concerned about the effects of oil
8 related activities on the migrating salmon stocks coming up through the
9 Shelikof Strait. Nowhere in the DEIS are the salmon migratory routes mapped.
10 This would seem to be very important information to have in order to assess
11 the impact of the sale on the resources. The effects of activity in the
12 Strait on the salmon stocks would probably be difficult to assess. Nonethe-
13 less, it could effect commercial fishing, and no allowance is made for
14 compensation due to such losses. Concern was also expressed regarding the
15 effects of oil development activity on the salmon stocks in the Cook Inlet
16 area.

17 Port Graham shares all the concerns expressed by English Bay, even the
18 effects of tourism and recreation. While some of the documents suggest that
19 Port Graham is more amenable to development than English Bay, this is largely
20 limited to developments associated with commercial fishing. Port Graham does
21 not welcome tourists and unknown sport-fishermen. And as they count the
22 costs of the changes they have allowed, they are again putting an emphasis
23 on retaining their culture and their community.

24 The information on the back of Graphics 13 - 16 addresses subsistence
25 in the villages of English Bay and Port Graham. You have heard from Arnold

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1 Melsheimer already. At this time, I would like to elaborate on Port Graham's
2 subsistence lifestyle. At the time of the writing of the EIS, a subsistence
3 survey was just being completed in the two villages by The North Pacific Rim.
4 Marsha Bennett looked over the raw data on the surveys, and from those derived
5 much of the information that is written in the DEIS about Port Graham and
6 English Bay. Now that most of the data has been tabulated and analyzed, we
7 are able to give more accurate pictures of village uses of the resources and
8 the folw that subsistence plays in the overall economy of Port Graham.

9 As it turns out, Port Graham does not use a wider range of species than
10 English Bay, as suggested in the DEIS. In fact, the average household in Port
11 Graham uses slightly fewer subsistence resources. However, the number of
12 species and the dependence on them is by no means insignificant. 41 different
13 species were used by 25 percent or more of the households in Port Graham.
14 Only 10 of these resources would not be affected by an oil spill that reached
15 the shores on the east side of the lower Cook Inlet. Of these 10 species not
16 potentially affected by an oil spill, only two of these are sources of protein:
17 spruce hens and black bear. 22 different species were utilized by 50 percent
18 or more of the households in Port Graham. Only four of these are non-marine
19 related resources and none of those four are primarily protein foods. 18
20 different subsistence foods are used by at least half of the households which
21 could be severely damaged if not eliminated for a period of time.

22 60 percent of the households in the village estimated that at least
23 half of thei diet was comprised of subsistence kinds of resources.

24 Thus, a majority of the population would be critically impacted by a
25 major oil spill. All of the population would be adversely affected.

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1 Roughly 67% of the households in Port Graham have incomes of \$15,000
2 or less. 52 percent of the village households report a combined household
3 income of less than \$10,000. There are a mean number of 5.7 persons per house-
4 hold in Port Graham. Over half of the village households have incomes under
5 \$10,000 and the average household size in the village is between 5 and 6 people.

6 Employment statistics complement this picture. Less than 10 percent
7 of the households in Port Graham have members employed full time year-round.
8 50 percent are seasonally employed--43 percent are employed in fishery-related
9 activities.

10 Subsistence activities and commercial fishing play a very important
11 role in Port Graham's economy. Not only could a major oil spill gravely
12 curtail the available subsistence resources, but it would also severely impair
13 the ability of close to half the village to earn the necessary cash to meet
14 expenses like utilities, clothing, and groceries to supplement their
15 subsistence harvests.

16 This is what the Port Graham residents think of when they think of oil
17 development. Adverse impacts which will effect 100 percent of the village.

18 Is this unfair? Aren't there benefits to be derived from this sale for
19 the villagers?

20 It is possible that a few people from each village may seek oil
21 development related work should the lease sale take place. However, historically,
22 and when I say historically, I refer to oil development in Alaska records of
23 employment, historically, this is not the trend. Local Native people have
24 not sought or etained such jobs. This trend will continue in the villages of
25 English Bay and Port Graham. Yes, also in Port Graham. Numerous opportunities

1 are already available to villagers interested in receiving training for oil-
2 related work. They are not interested in work outside of the village,
3 in being away from the village, in working at jobs that do not allow for
4 fishing and hunting when the weather, tides and resources are just right.

5 There are other economical impacts inadequately addressed in the Draft
6 EIS. The effects of the predicted Homer population growth resulting from Sale
7 CI and from Sale 60 are not assessed in terms of how that will affect the
8 economies of the villages of Port Graham and English Bay. The only impact
9 mentioned as a result of Homer's population expansion is the increased tourism
10 and recreation activities.

11 First, it seems plausible that Homer may not have the expansion assumed
12 if the Sale CI activities do not go beyond the exploratory stage. Currently,
13 no plans have been made beyond the halted exploratory activities. This could
14 invalidate the base case assumptions. Secondly, no effort is made to address
15 how a boom economy in Homer will influence the villages. Both villages are
16 hooked up to Homer Electric. A boom economy is going to raise the rates. Both
17 villages rely heavily on Homer for supplemental groceries, clothing, household
18 goods and fishing and hunting equipmetn. As these prices go up because of oil-
19 related development, village economies are going to be severely strapped. The
20 inflation of the Homer economy will affect every household in English Bay
21 and Port Graham, through the price of food, stove oil, electricity, and
22 clothing and other essential goods. And none of the economic benefits of oil
23 development will be experienced in the villages. Are there any questions?

24 MRS. WUNNICKE: Thank you. Are there any questions of Ms. Stratton?
25 (Audience applauds). Mr. Kevin Hogan.

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1 MR. KEVIN HOGAN: My name is Kevin Hogan, and I am a seven-year
2 resident of Homer. For the last seven years with the exception of one day
3 I have made my living. I'm not an environmentalist or conservation, and I
4 recognize that the life-blood of this nation is oil, but I ask you to recognize
5 that the life-blood of Homer, Seldovia, Kodiak, all the villages and
6 communities around this area with the exception of Kenai and Soldotna is the
7 sea. It's a mystery to me that the federal government can withdraw millions of
8 acres of potentially oil-rich lands from development and at the same time
9 subject some of the most productive seafood and protein producing areas around
10 to oil development. Ah, it just doesn't make any sense to me. It seems
11 stupid. Ah, we've got vital industries in this area that are dependent on
12 seafood, king crab, shrimp, and we don't have any vital industries that are
13 dependent on mosquitoes or leming (ph). I think that I would just like to
14 go on record in saying that I am opposed to the sale on those grounds. I
15 think the oil would be much better left in the ground where it is, and I
16 think there are other areas that the federal government has control over that
17 they could open up the leasing that would serve out country much better. I
18 think that in the future we are going to have to come to depend and look toward
19 the sea for protein and foreign trade. I think we could wipe out our balance
20 of trade deficit just with the seafood resources that we have here in Alaska
21 alone, and I think that's something that needs to be taken into consideration.
22 (Audience applauds).

23 MRS. WUNNICKE: Thank you. Ah, next is the representative from the
24 Kodiak Area Native Association from KANA. Bill?

25 MR. BILL OSBORNE: I would like to say I will have a typewritten copy

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1 of this for you in Kodiak. Good evening Madame Chairperson and Hearing Panel
2 Members. My name is Bill Osborne, and I am employed as an OCS Researcher
3 Assistant on a short-term contract with the Kodiak Area Native Association, or
4 KANA. In the three years prior to accepting this contract position, I
5 primarily worked with KANA in the areas of Fishery Development and Education.
6 During this time period, I lived in the village of Port Lions for one year
7 and worked as a cre member on a commercial salmon fishing vessel for two
8 summers.

9 The Kodiak Area Native Association is a non-profit organization of
10 Natives in the Kodiak Island area that was initially incorporated in 1966.
11 KANA's overall purpose is to promote pride on the part of the Natives of Alaska
12 and their traditions; to preserve the customs, folk lore, and art of the
13 Native races; to promote the physical, economic, and social well-being of the
14 Natives of Alaska; to discourage and overcome racial prejudice and the
15 inequities which such prejudice creates; and to promote good government by
16 reminding those who govern and those who are governed of their joint and
17 mutual responsibilities. To achieve these purposes, KANA undertook work
18 program activities on its first contract in February of 1974. Since these
19 humble beginnings, KANA has developed into a multo-faceted, non-profit
20 organization that delivers comprehensive manpower, health, education, social
21 services, and community development and planning services to the Native people
22 on the Kodiak Island, particularly those living in the Island's six villages.

23 KANA's focus on proposed OCS oil and gas development in the area
24 surrounding the Island was heightened in October, 1979, with the receipt of a
25 National Resources contract from the Rural Alaska Community Action Program.

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1 This fiscal year 1980 contract and the fiscal year 1981 contract which was
2 recently awarded to KANA have provided funds to educate, inform, and organize
3 village people's concerns on the possible impacts of OCS development, and for
4 KANA to advocate positions adopted by the respective villages to all entities
5 involved in the oil development process. To achieve these objectives, KANA
6 has received program direction from its Overall Economic Development and
7 Planning Committee which is comprised of a representative from each of the six
8 Island villages. This direction has been supplemented with staff travels to
9 villages, distribution of educational newsletters, village surveys, and direct
10 village participation in the decision-making process for OCS development. In
11 this regard, KANA staff and village residents have worked cooperatively with
12 the Alaska OCS office, the Kodiak Island Borough's OCS Advisory Council, and
13 testified at the public hearings for the Five Year Lease Sale Schedule and the
14 DEIS for lease sale 46. In a continuation of these program efforts, KANA
15 staff and village representatives will be orally testifying at the public
16 hearings on the DEIS for lease sale 60 in Homer, Kodiak, and the special hearing
17 in Port Lions.

18 The KANA staff and its constituents are very concerned that nowhere in
19 the DEIS is an evaluation given for the cumulative effects of the proposed
20 lease sale 60 and lease sale 61. Sale area 61. Sale area 61, encompassing the
21 eastern side of Kodiak Island, is proposed for lease in April, 1983, less than
22 two years after lease sale 60. As mentioned on page 4 of the DEIS, "If both
23 sales 60 and 61 are held as scheduled, there will be oil and gas exploratory
24 activities on both sides of Kodiak Island. Furthermore, if oil and/or natural
25 gas is found in both sale areas, then production activities for both lease sales

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1 would be occurring simultaneously on Kodiak Island." In the section of the
2 DEIS on "Other Major Projects Considered in Analyzing Cumulative Effect,"
3 consideration is given to the effects of such projects as the Beluga Coal
4 Field development; the Bradley Lake Hydroelectric Project; and harbor
5 expansion projects in Homer, Kodiak, and Port Lions, but no evaluation is
6 given of the combined effects of Sales 60 and 61. This is because "at a
7 minimum, the Alaska OCS office would have to know what the Sale 61 resource
8 estimates will be, what the areas of particular interest will be to industry,
9 government, and special interest groups, and finally, what the area selected for
10 further study (e.g. the proposal) will be. As none of this information is
11 presently available, there is no basis on which to make an environmental
12 assessment of the sale 61 area; hence, no viable assessment of the interrelationshi
13 of the two sales is at this moment possible." We simply find this
14 explanation unacceptable.

15 The process leading up to the now-cancelled lease sale 46, which
16 encompassed approximately the same area of call as lease sale 61, was followed
17 through the writing of a DEIS in 1977 before the sale was postponed until
18 December, 1980. After the postponement, new scoping sessions were held and a
19 new DEIS was written. Surely after the DEIS process had been followed throug
20 twice for the same sale area, the BLM should have some idea of what the resource
21 estimates and the areas of particular interest will be for sale area 61, so
22 that the cumulative impacts of sales 60 and 61 could be considered.

23 Cumulative effects of sale 60 and the now-cancelled 46 were mentioned
24 as issues of concern at the two least sale 60 scoping sessions held in Kodiak
25 on August 14, 1979 and March 5, 1980. In fact, the OCS office implicitly

1 acknowledged that the two sales would jointly affect Kodiak Island by holding
2 an initial combined scoping session for both sales 46 and 60 in Anchorage on
3 May 23, 1979. By failing to address these scoping issues, the DEIS falls
4 short of the National Environmental Policy Act objectives. To postpone an
5 evaluation of the interrelationship of sales 60 and 61 before lease sale 60
6 is held, would sidestep one of the most important issues for Kodiak Island.

7 It is our believe that Talnik Point was selected as an oil terminal
8 site in order to potentially serve as the receiving point for oil from both
9 sides of Kodiak Island, if oil is discovered in both sale areas. I might
10 mention that Talnik Point is far too close to Port Lions to be considered an
11 enclave site. A concern which was expressed at the March 5, 1980, scoping
12 session was that terminal facilities should be located away from existing
13 villages to lessen community impacts. This concern was not mentioned in the
14 DEIS. The Kodiak Island Borough's 1977 facility siting study also mentioned
15 avoidance of existing community and harbor facilities as a policy assumption for
16 oil terminatl siting and the State of Alaska's 1978, Gulf Of Alaska OCS Handbook,
17 includes land use compatibility as a siting criterion. If such concerns were
18 to be adequately addressed in this DEIS, then other oil terminal sites more
19 remote from existing communities than Talnik Point should have been considered.
20 The fact that they were not considered again indicates the failure of the DEIS
21 to deal with major scoping issues, demonstrates the failure of the DEIS to
22 follow National Environmental Policy Act objectives, and reconfirms our
23 belief that the Port Lions site was selected because of its convenience for
24 both sales.

25 On page 24 of the DEIS, it states that the Alternative 6, all natural

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1 gas that is produced in the Shelikof Strait would be reinjected. Presumably
2 this is because not enough gas would be produced to warrant piping it to the
3 Nikisky LNG facility on Kodiak Island. However, from the DEIS for sale 46,
4 we were lead to believe that the outer continental shelf on the east side of
5 Kodiak Island is gas prone and if producible quantittites of natural gas were
6 discovered an LNG facility would be beuilt on Kodiak Island. Given the
7 simultaneous development of sale areas 60 and 61, it is not reasonable to
8 assume that if producible quantittites of natural gas were found on Kodiak
9 Island, then an LNG facility would be built on the Island to process the gas from
10 both areas? Simultaneous development on both sides of Kodiak Island would most
11 likely be cost-effective for the oil companies, and might even enhance the
12 producibility of the resources of each sale area. Once again, the DEIS fails
13 to evaluate the potential simultaneous development of the two sale areas.

14 The section of the DEIS dealing with cumulative effects of oil spills
15 includes the potential for spills associated with drilling in sale area CI
16 and tanker traffic for both CI and Upper Cook Inlet, yet no consideration is
17 given to spills resulting from production and tankering activities associated
18 with sale area 61. Petroleum production from sale area 61 would increase
19 tanker traffic around Kodiak Island, thus raising the overall average probability
20 of a spill. Production from 61 would increase the probability of spills
21 impacting such "targets" as the Barren Islands, seabird foraging areas, and sea
22 otter concentrations. From the 1980 study of surface currents in Lower Cook
23 Inlet/Shelikof Strait by Gary Huffard, we can assume that oil spilled in the
24 norther portion of sale 61 could be swept by the Kenai current through Kennedy
25 Entrance past the Barren Islands, across the mouth of Cook Inlet, and into

1 Shelikof Strait. That such surface transport is possible was demonstrated in
2 1976 by two drift card recoveries on the west shore of Shelikof Strait and one
3 recovery near Cape Ikolik on Southwest Kodiak Island, all from a single release
4 over Portlock Bank in the northern portion of sale area 61. This drift card
5 study was cited in the Kodiak Interior Synthesis Report of March, 1980.

6 It is reasonable to assume that development activities for lease sales
7 60 and 61 would be coordinated on Kodiak Island and one might further assume
8 that duplication of shore-based facilities would be minimized. Thus, we might
9 expect that not only would an oil terminal facility or an LNG facility be
10 sited to serve both sale areas, but also roads, airports, harbors, shipping
11 lanes, and pipelines would all be developed giving consideration to simultaneous
12 development in both sale areas. Would this prospect alter the development and
13 production activities as described in the DEIS? Would population and employment
14 increases be different from what is described in the DEIS? Once again, the
15 DEIS fails to adequately analyze the overall impact of the proposed lease sale
16 because it does not address at all the cumulative impacts of the proposed
17 lease sale and lease sale 61.

18 We understand that an environmental impact statement is meant to be a
19 decision-making document. As a "best-guess" estimate of the impacts of the
20 proposed action, the EIS should provide the information needed to choose between
21 the proposal or one of the alternative actions. This DEIS at best tells us only
22 half of the story. Since this DEIS fails to present a picture of the combined
23 effects of sales 60 and 61, it is impossible for village communities on Kodiak
24 Island to adequately plan for oil development.

25 Based on the lack of consideration of cumulative impacts for sale 60

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1 and 61 and on other inadequacies of the DEIS, the Kodiak Area Native
2 Association, speaking on behalf of the villages Karluk, Larsen Bay, Port
3 Lions, and Ouzinkie, is adopting the position of being opposed to the sale at
4 this time. Additional information on the KANA and village positions will be
5 presented at the hearing tomorrow in Kodiak. Thank you.

6 MRS. WUNNICKE: Thank you very much.

7 MR. ONES: I have one⁹ question. I followed part of what you were
8 saying about cumulative impacts, but I am having trouble understanding why
9 at this time of doing the Draft EIS sale 61, that would not be a more
10 appropriate time and have no harm of doing the cumulative impact study at
11 that time.

12 MR. OSBORNE: Well, if we are to consider the alternatives that would
13 be a possibility of oil development at this time, um, we would want to consider
14 the potential of all oil development around Kodiak Island. If we want until
15 the EIS for sale 61, ah, that would come up most likely after the lease sale
16 of, ah, lease sale 60.

17 MR. ONES: But in terms of time, at this point, you know, we are at the
18 very early stages in sale 61. Wouldn't it be more feasible to study the
19 cumulative effects of that once we have more processes of sale 61 and
20 obviously, have gone to some next stage on sale 60, whenever that next stage
21 is?

22 MR. OSBORNE: Well, the point I was trying to make is that most of
23 the information should be available because of the two Environmental Impact
24 Statements that have already been written on the western Gulf of Alaska.

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1 MR. ONES: Doesn't that substantially prejudge where industry interest
2 might be and where these tract selections for the EIS might be? I mean, as
3 as example, it is a large area and not all of the tracts were selected
4 originally for the sale 46. I don't want to belabor the point. It just
5 struck me as that, if you are going to do cumulative impacts, you wait until
6 you get to the second step before you consider harm to the cumulative impacts.

7 MR. OSBORNE: Well, to wait for the second step would be after the
8 fact, after sale 60 is already leased.

9 MRS. WUNNICKE: I believe the call for nominations of sale 61 closes
10 at November 20 or 21, so at that time, you might have a better indication
11 at of industry interest in the 61 call areas. You still would not at that time
12 know what tracts have been selected for study. Thank you, Mr. Osborne.

13 (Audience applauds). We have now gone through the list of all the people who
14 have signed up to testify. I will call one more time the people who did not
15 respond, but it may not be their fault because we were calling them at a time
16 different than they had registered for. We will make a special effort with
17 respect to two people on this list who had signed up to testify tomorrow
18 morning and then I will ask those of you who are here who have not signed up,
19 if you have any testimony you would like to give. Mr. Frank Tupper? Mr.
20 Derek Stonorov? Mr. Michael Coumbe? David Bentley? Marilyn Hammond?

21 MS. MARILYN HAMMOND: I'll make this brief; I know we are getting late.
22 I am Marilyn Hammond, address box 1092, Homer, Alaska. I am requesting
23 consideration for the deletion of all tracts offered in sale--in the proposed
24 oil and gas lease sale 60. Specifically, I am requesting deletion of these
25 tracts: 484, 527, 615, 659, 703, 661, 662, 663, 748, 705, 706, 707, 751,

1 795, 793, 836, 880, 837, 838, 923, 924, 881, 882, 968, 925, 1011, 1012, 1055,
2 1,056, 42,44, 88, 131, and 132. I think you will find 34 there. These
3 specific tracts lie within the bounds of our present crab production. Buoys
4 in these areas--I don't know if you realize this all of you--buoys in this
5 area go down and will remain under the surface five days at a time, up to
6 10 days per month, depending on the tide cycle. Nowhere in the world have oil
7 companies worked with concentration of the crab gear that exists here. It is
8 safe to say that there are 5,000 pots fishing within the specific tracts
9 mentioned. Exploration and production phases proposed here will put us out
10 of business. That's just exploration and production; that's not even with
11 consideration of an oil spill affecting larvae, et cetera. I am only speaking
12 of the crabbing industry. Salmon, herring, shrimp fisheries would, of course,
13 be negatively affected. Seward fisheries gave us these figures for Kamashak
14 king and tanner crab direct economic benefits to Homer. They could be safely
15 tripled with Whitney Fidalgo and Wakefield Fishery figured in. They figure
16 annually purchases of \$1,200,000. They figure their labor costs at \$350,000 -
17 \$400,000. They pay city water \$10,000. They pay HEA \$20,000. Fuel, they
18 figure at \$5,000. Employee insurance at \$20,000. Miscellaneous local
19 purchases, they estimate at \$20,000. Um, I'll stop there. Thank you very
20 much.

21 MRS. WUNNICKE: Do you have a list of those tracts?

22 MS. HAMMOND: Yes, I do. Would you like me to--

23 MRS. WUNNICKE: Would you give them to the Recorder, please?

24 MS. HAMMOND: Sure.

25 MRS. WUNNICKE: Any questions of Ms. Hammond? (No response) Okay.

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1 Thank you. Eileen Morrou? Andre Marrou? Gregory Ragon? Jane Nevitt?
2 Lynn Bennett? Craig Mathews? Anabel M. Lunda or Asaiah Bates? Are you
3 Mr. Bates? Thank you. How do you spell your first name, Mr. Bates?

4 MR. ASAIAH BATES: A--S--A--I--A--H.

5 MRS. WUNNICKE: And how do you pronounce that?

6 MR. BATES: The same as "Isiah" only with an A. I don't have very
7 much to say in regard to testimony other than I will begin with my baseline.
8 I am not in favor of these oil leases out here at this time. The reason why
9 I was late tonight, I was at a advisory school board meeting and making an
10 effort to get a drug program going for our school here. During the Alaska
11 Pipeline work program, the abuse and use of drugs and alchohol escalated in
12 the State of Alaska about 26 percent. So, I am on the Governor's Advisory
13 Board on drug abuse and alcoholism and one of my major interest is the impact
14 of drugs and alcohol here in boom session, specifically oil. The coke
15 sniffing became very much predominant during the pipeline work because it takes
16 big money to deal with coke and alcohol and in terms of the Native villages
17 a very high percent of the Native villages are involved in--specifically
18 alcohol. Over in Bethel, during this election, voted to keep Bethel dry;
19 however, the bootlegging goes on in bringing in booze for consumption and
20 alcohol and drugs on the abuse level is a terrible thing. Here on the Kenai
21 Peninsula, we do not as yet have a detox center. We are working toward that
22 accomplishment and three years ago the drug and alcohol allocation was
23 \$2,500,000 in that area. This year it was \$15,000,000 allocation to take care
24 of the drug and alcohol problem within the state of Alaska. In the terms of
25 the Kachemak Bay, the State bought the leases back after they were given

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1 here in the lower--and this lower Cook Inlet was declared a critical habitat
2 area. I am sure there are many facts and figures that have been given to you
3 tonight to verify to verify the tremendous importance of the fishing industry
4 here in this Bay.

5 I've been in Homer since 1959, seen it grow very gradually, and in
6 good order. I would like to see Homer continue to grow in that direction.
7 Many of the people that you have heard testify here tonight, may be their first
8 time in giving testimony in regard to the oil leases, but a number of years
9 ago, I believe it was nine or ten years ago, we had another big oil discussion
10 in the Chamber of Commerce over in the Water Front Restaurant here. It appears
11 that somewhere along the way that BLM gets the idea that this Bay out here is
12 for fishing and not for oil. I mean, it appears that after 10 years of hearing
13 testimony from people that are understanding and know the contents of this
14 Bay out here that the oil companies and you folks would get the picture and
15 stop hassling Homer and let us grow orderly and continue with our fishing and
16 tourist industry here, and we won't bother you. Thank you very much and we
17 for sure love you people for coming and hearing what we have to say. Thank
18 you very much. (Audience applauds).

19 MRS. WUNNICKE: Laura Barton?

20 MS. LAURA BARTON: Ladies and gentlemen. My name is Laura Barton. I
21 came here as a homesteader's daughter in 1945 and this has been my home most
22 of the years since then. I oppose oil and gas lease sale 60. According to
23 the Draft Environmental Impact Statement, there is a 98 percent chance of at
24 least one major oil spill during the projected 26-year life of the fields.
25 It has been stated that fishing is currently the major industry in our area.

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1 It makes no sense to me to jeopardize this valuable renewable resource for a
2 short-term gain from a non-renewable resource. In answer to those who are
3 concerned about oil and gas shortages, I believe that drilling for fossil fuels
4 should be done on land, where clean-up spills is much less complicated than
5 it is on water. Also, many of our underwater areas can be reached from land
6 by off-set drilling.

7 My opposition is not to all drilling; it is only to drilling that is
8 proposed to be done under water, especially since this particular water is
9 noted for great tidal action and violent storms and contains a valuable
10 fisheries resource. Thank you.

11 MRS. WUNNICKE: Thank you, Ms. Barton. (Audience applauds).
12 Have Roseleen Moore or Gary Worby come in? Eric Ringer? John Child?
13 Is there anyone here present who wishes to testify who has not signed up?
14 Would you come forward and state your name, please?

15 MR. PAUL FOLLEY: Yeah, my name is Paul Folley and I have fished--

16 MRS. WUNNICKE: Will you spell your last name for me, please?

17 MR. FOLLEY: F--O--L--L--E--Y. I have fished king crab and been a
18 fisherman for the last six years. The oil company--I don't know why everybody
19 has forgotten the Ferricks, it was just here a couple of years ago. If that's
20 what the oil companies will do, it's embarrassing because they couldn't even
21 get it out of Kachemak Bay without creating an oil slick from oil that they
22 had on board. They weren't even drilling. They had blasted it out of the
23 Bay because they sunk it in mud, and they couldn't pull up their legs. That's
24 one thing they've done. You know, I'm not impressed with that, and I am
25 impressed with what Mother Nature can do because I've fished down at Cape

1 Douglas and Shelikof Strait in the wintertime, and a lot of these guys, you
2 talk to them, and two days of fishing a week is all they can get in. So, I
3 don't see how support boats or any other boats can actually even get to an
4 oil rig to supply the, and I would like to have taken anyone of you out there
5 today, and you would have made up your own mind right then and there, if we
6 would have even gotten near the area. So, there was a local impact because
7 then they blasted out the legs, they killed off^a--there was a lot of local otters
8 and seals that swam around the area, and they were no longer here. There is
9 a second thing--there is also a volcano which hadn't really been mentioned too
10 much, which is an active volcano. I've seen it erupt several times. There is
11 also earthquakes and that creates a real potential danger. Then there is a
12 gear loss due to the traffic, and some people have spoke for it and said that
13 the tanker lane can be used. Well, the tanker lane has been around for
14 probably four or five years and they haven't used it yet. It is just impossible,
15 so there will be economic problems for the fishermen to do that. As far as
16 the economic build-up in the local community, I don't see that--I wouldn't hire
17 an oil man to run my fishing boat, and I don't see why he would hire me to
18 go out and run his oil rig. Of course, he is not going to hire locals because
19 no one in the area, in the town, is an oil man, and I feel bad if they did
20 hire locals because then they would be endangering the oil rig, just to hire
21 somebody and say they did. I don't really see that that is going to help us.
22 There was a few people here that spoke out in favor of oil, and if you will
23 notice, they only stayed a very short while, said their piece and left.
24 They don't care what the rest of Homer thinks. So, I am against oil development
25 in the Cook Inlet area because I think it is too dangerous both to me

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1 economically as a fisherman and to the natural resources that are available
2 at this time. Thank you very much. (Audience applauds).

3 MRS. WUNNICKE: Is there anyone else? Yes, would you come forward
4 and give us your name?

5 MS. LESLIE HAFEMEISTER: My name is Leslie Hafemeister.

6 MRS. WUNNICKE: Would you spell your last name, please?

7 MS. HAFEMEISTER: H--A--F--E--M--E--I--S--T--E--R. Many of my
8 opinions have previously been stated tonight by several other peoples and
9 facts have been stated to back them up. I wish to go on the record as a
10 resident of Homer against the oil spill, and I personally feel our energies
11 as a town, as a country, should be channelled more towards alternative energies
12 and finding alternative means of producing ways of energy. Ah, the safety
13 record of drilling has been stated here as a safe one. I don't think that
14 any records would show even if they are safe or unsafe. Ah, it wouldn't make
15 any difference. I feel that most of the opinions here said by the people of
16 Homer are against the sale or against drilling, and that's what the people
17 want. I fish commercially and for subsistence, and I feel my life-style is
18 in danger. It is a town that is supported by fishing and tourism and I feel
19 that drilling would severely jeopardize, if not destroy this life-style that
20 we have here.

21 The people of Homer that have spoke here before have neither the power,
22 the money, or the numbers against the oil companies, and what we can hope for
23 is that you will listen to us and truly listen to what we have to say. We
24 believe that what we feel is best for the life-style of the people in Homer.
25 Thank you. (Audience applauds).

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1 MRS. WUNNICKE: Because there are two or three people who have not
2 been able to testify and who did sign up to testify, we will have two members
3 of our staff, Mr. Tremont and Mr. Heesch, who will be here at 8:30 tomorrow
4 morning, from 8:30 to 9:30, with a tape recorder to take testimony from those
5 people or anyone else who comes at that time. We certainly do appreciate your
6 patience and I would like to remind you again that if you are filing copies
7 of your remarks or if you wish to submit the extensions of your remarks and
8 additional testimony in writing, you have until October 31 to do so by either
9 delivering those written comments to the BLM/OCS office in Anchorage at
10 620 East 10th Avenue, or by mailing them, c/o of the Manager, BLM/OCS Office,
11 Anchorage, P. O. Box 1159, zip code 99510. I would like to ask the other
12 members of the panel if they have any other comments before we adjourn.

13 MR. FOLLEY: Can I ask one question of you and the panel? What
14 difference does our testimony make?

15 MRS. WUNNICKE: It makes a lot of difference in that it helps us to
16 perfect what is a Draft Environmental Impact Statement under the National
17 Environmental Protection Act. The ultimate decisions of whether to lease or
18 what tracts to include or what stipulations to put on these leases, if they
19 are issued, belongs to the Secretary of the Interior. People have this
20 Environmental Impact Statement as a part of his decision as well as a
21 Secretarial-issue document, which takes into account other factors besides
22 environmental concerns. Yes, it makes a big difference.

23 MR. PAGE: I might add to that that I have been a panel member on
24 several hearings on different sales. I work in Washington. I have an opportunity
25 to have direct conversation with policy officials in the Interior Department,

1 assistant secretaries, and maybe even the Secretary. I think that being here
2 and hearing testimony and getting the feel of it, that you discover feelings,
3 information, that maybe wouldn't have otherwise come out in the Environmental
4 Impact Statement. The reason I'm here is because I believe it makes a
5 difference. It does make a difference, yes.

6 MRS. WUNNICKE: Any other member of the panel have a comment?

7 (No response). Yes, sir.

8 UNIDENTIFIED PERSON: I would like to know if it would be possible for
9 us to obtain for the town library transcripts?

10 MRS. WUNNICKE: I'm going to have to defer to Judy on that. Ah, you
11 can make arrangements with the Report to obtain a transcript.

12 UNIDENTIFIED PERSON: Would that be a tape recording?

13 MRS. WUNNICKE: No, it would be a typed transcript. She is a professional
14 Reporter and would be selling copies. If you have many other questions, I would
15 like to adjourn the hearing as such and then we would be happy to meet with you
16 and answer any questions that you might have.

17 MR. CALL: I think we would all thank you very much for showing up at
18 this hearing.

19 MRS. WUNNICKE: Thank you, Mr. Call. (Audience applauds).
20 This hearing is adjourned. Oh, I'm sorry. Did I overlook someone.

21 UNIDENTIFIED PERSON: When might a decision be made? Do you have any
22 idea?

23 MRS. WUNNICKE: This is just a Draft Environmental Impact Statement
24 hearing on the Draft, so the final Environmental Impact Statement is scheduled
25 to be published in February, 1981. Ah, the decision will on the notice of sale

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1 that is the decision of the Secretary of Interior, will be August, 1981.
2 Please understand, too, that we are always--we always welcome your letters and
3 comments and your visits to the Anchorage office. This is not the, you know,
4 the only time that you might have an opportunity to make your concerns known
5 and to correct something that you found as an error. Again, thank you very
6 much and this hearing will reconvene in Kodiak, tomorrow afternoon in the
7 Borough Assembly Chambers at 1 p.m. Thank you very much.

8 (HEARING ADJOURNED AT 9:40 P.M.)
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3
4 CONTINUATION OF THE PUBLIC MEETING
5
6 ON
7 DRAFT ENVIRONMENTAL IMPACT STATEMENT ON PROPOSED OCS
8 LEASE SALE 60 (LOWER COOK INLET/SHELIKOF STRAIT)
9
10

11 The above-cited hearing is a continuation of the hearing held on
12 October 14, 1980, in the Homer Elks Hall, Homer, Alaska.

13 The hearing was conducted by Mr. John Tremont, Alaska OCS Office,
14 Anchorage, Alaska.
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1 MR. JOHN TREMONT: We will open this public hearing on the draft lease
2 sale 60. Our first order of business is to call those people who are
3 scheduled to testify this morning who did not testify yesterday evening.
4 Ah, Janet O'Meara? Rosaleen Moore?

5 MS. ROSALEEN MOORE: I'm Rosaleen Moore. I'm commonly known in the
6 area as "Snooks" and I am representing the North Pacific Fisheries Association.

7 The North Pacific Fisheries Association wants to go on record opposing
8 the lease sale with referring to the facts in the Draft Environmental Impact
9 Statement. When you have a 90 percent chance of a major oil spill, you will
10 devastate the oil, I mean, the fishing industry in this area. If you don't
11 do it by an oil spill, you will do it by the surface traffic alone. The
12 supply boats, the seismographic vessels will annihilate the pot fishery.
13 Ah, we have requested years ago for a corridor of one way in-an-out corridor
14 on the north side of the Bay. At this date, we still do not have this and
15 with the increased traffic and the increased tanker traffic, this is needed.
16 If the oil leases are to go through and become a productive field, we do
17 not have a corridor. You will either have lost a life and you definitely will
18 be having loss of an entire industry here. I hope that we this year can set
19 up a contingency fund that is more than \$100,000 with this State. That's
20 a joke. Ah, one man's crab gear will be in the range of \$100,000 anymore.
21 A \$5 million catch contingency fund and a grievance committee set up with the
22 bosses, the big oil companies, the local fisheries associations, that can
23 handle the complaints that are happening is what is needed badly. I'm not
24 going to go into depth on the Statement. I think the Statement says, "It
25 is going annihilate this area." I think that is enough. If anybody reads it,

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1 they will take note. Thank you.

2 MR. TREMONT: Gary E. Worby? All right. That has exhausted the
3 list of the people who were scheduled to testify. Is there anyone else who
4 wishes to testify?

5 MR. ERIC RINGER: My name is Eric Ringer. E--R--I--C R--I--N--G--E--R.
6 I am a fisherman and have been fishing in Homer for the last five years. I
7 have spent a lot of time fishing in the lower Cook Inlet and Shelikof Strait,
8 usually about eight months of the year. The weather conditions are horrible
9 most of the time; an average day is 25 to 30 knot winds and eight to ten
10 foot seas. A bad day is blowing from 15 knots to 100 knots, with 15 to 35
11 foot seas. In the winter up until the end of April, there are usually moderate
12 to very heavy icy conditions, along with very large tides, often up to 7 knots,
13 never less than 2 to 3 knots. I'm telling you to give you an idea of the
14 conditions in which an oil spill will have to be cleaned up. There seems little
15 reason to believe that there won't be at least one oil spill. The Environmental
16 Impact Statement almost guarantees one spill and most likely, four or more.
17 The fact is that the oil companies do not have the ability to clean up oil
18 spills in adverse conditions. When the Glacier Queen sunk in Seldovia Bay,
19 the spill couldn't be contained and that's in a calm, sheltered bay with tides
20 that aren't near as strong as in Cook Inlet/Shelikof. Also, Seldovia is
21 close to supply and equipment centers and the cleanup effort still didn't work.
22 What about the Lee Wang Zing that sank earlier this year. That spill was
23 cleaned up by letting the oil wash to shore and then burning the driftwood and
24 shovelling the oil up by hand after the damage was done. Obviously, the
25 ability to clean up oil spills in the open ocean environments is inadequate,

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1 bordering on non-existent. When the Amacoca-did broke up off the coast of
2 France and covered the beaches with oil, it was a disaster, but the worse
3 damage was done under water. The oil sunk and continued to leak out with
4 toxic chemicals. What use to be an ocean floor teeming with life is now a
5 vast area of grey mud with blobs of oil and very little plant or animal
6 life.

7 I don't want this to happen here. Both Homer and Kodiak depend on our
8 ocean resources for our livelihood. Oil and fishing don't mix no matter how
9 much money ARCO spends trying to make people believe the opposite.

10 Another problem we've had with oil companies is the loss of crab here
11 due to oil rig tenders running over our gear. The operators of these vessels
12 seem to have little regard for crab gear and would rather hire a diver to
13 cut line out of their wheel than turn the boat to turn the gear. Last year,
14 when the oil companies moved the Dimond M Dragon out of lower Cook Inlet.
15 We were fishing in the area. We called them and told them our gear location
16 with Loran (ph) bearings and radar bearings. They promised to let us know
17 when they would move it and said they would avoid the gear. One day they
18 just moved without letting us know and towed right over some of the gear.
19 To illustrate the total lack of knowledge of the oil companies, a complaint
20 was made an official told us that they say the buoys, ran over them and
21 assumed that our bottom gilnets were okay when the buoys came up again.
22 Unfortunately, those were crab pots and the lines were no longer attached
23 because they had been cut off.

24 This is the problem when oil rigs are moved, with supply ships going
25 to and fr m oil rigs, and with tankers, which I assume, would be in here

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1 much more often if oil is developed. It should be clear by now that the
2 majority of people in this area is strongly opposed to oil development. The
3 members of the community who support oil development are greedy, short-sighted
4 people who want to make a quick buck in their pocket or get more political
5 power than they already have. Most people in Homer don't want a landslide of
6 newcomers in town looking for their proverbial big oil money in Alaska.
7 Our town is growing fast enough; this pressure. We don't want it; we don't
8 need it.

9 There's a feeling that these meetings do no good. They are just a
10 formality to go through before the leasing begins. I testified as the OCS
11 meetings in 1976 here in Homer. The majority of people at that time opposed
12 development, but it was leased right on schedule regardless of what Homer
13 thought.

14 I wish the Secretary of Interior would come up here and listen to this
15 himself, but I am sure he is more comfortable talking to oil company lobbyists
16 in Washington than coming up here listening to real people with real problems
17 involved with oil development.

18 I am asking the members of the panel to do something courageous. Go
19 back to Washington and advise that this lease sale be deleted and this area be
20 claimed as too valuable and too risky for oil development ever to occur. Do
21 this for the people of Homer and Kodiak so that we will be spared from the
22 destructive forces of oil development. It could even restore some faith in
23 the federal government's ability to rule for the people instead of for its
24 own interest. Thank you.

25 MR. TREMONT: You kinda implied that it was out of ignorance, the

1 fishing gear--they didn't know--

2 MR. RINGER: Well, ignorance and a combination that it was easier for
3 them to drive a straight line than to go out of their way to avoid that
4 gear. They, ah, had knowledge of where it was the day before hand, and they
5 never--if they had even told us that they were moving the rig that day, we
6 probably would have gone in and loaded our gear up just to avoid such an
7 incident.

8 MR. TREMONT: How long before did you notify them of your location?

9 MR. RINGER: Three or four days, and they gave us assurances that we
10 would be informed when the rig was going to be moved and they would make
11 every effort possible to avoid any gear in the area.

12 MR. TREMONT: Who was the man that you talked to?

13 MR. RINGER: I don't know his name. Snooks, who is sitting here,
14 might. Thank you.

15 MR. McBRIDE: Good morning, Mr. Tremont. My name is Michael McBride.
16 I've been in Homer for 13 years. I live on the other side of Kachemak Bay
17 from Homer. There is the distance you can see the approximate location. I've
18 lived there with my family for the past 10 years, during part of time, we
19 worked as commercial fishermen, but primarily our occupation during most of
20 that 10 years is to accommodate visitors to this area in the form of a
21 business structure, which is called the Kachemak Bay Wilderness Lodge. We
22 also operate a fly-in mountain camp, and we operate a camp for Brown Bear
23 photographers near McNeil River. I'm afraid that I have to voice the same
24 fear that many people in the Homer area have voiced relative to the value of
25 testimony such as this. I personally would address you and the Secretary of

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1 the Interior in the following way that when the people in this country feel
2 their voices are not being heard, I think we are indeed looking at a very
3 difficult and bleak time in this country. We've seen this kind of thing
4 happen here and here again to us as a community. I spoke at the first public
5 hearings that the Secretary of Interior held in Anchorage when the Assistant
6 Secretary, himself, was present for our testimony, and at that time there were
7 people around the State who spoke against the idea of leasing the leases that
8 are now under production in Cook Inlet. Many people more eloquent and more
9 erudite than myself spoke about why these leases shouldn't be carried out, and
10 indeed, we now see a more substantial amount of oil impact on the Kenai
11 Peninsula as a result of the progress of the oil industry there. Um, I've
12 been trying to look for avenues that I might explore in order that I might
13 be able to present something new to the Council. Many of the things that have
14 been said by people in Homer, I would only be repeating to go into them. I
15 think the one thing that I could say briefly that would perhaps have the
16 greatest impact on the members of your commission and council here are that
17 I would that they and the Secretary not place undue emphasis on the opinions
18 of the local Chamber of Commerce or our City Council. Looking first at the
19 Chamber of Commerce, the Chamber of Commerce's position, namely support
20 oil development in this area, was the result of one individual meeting at
21 which time a voice vote was called for. I don't believe that the Chamber of
22 Commerce therefore actually represents the people of Homer. We have a slightly
23 different situation with the City Council where, of course, they are our
24 elected representatives and have some right and obligation to represent the
25 people of the area. However, I think that if you were to poll the people of

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1 this community and ask them whether or not they felt that the members of the
2 City Council had the right to make decisions of enormous long-term impact on
3 their entire lives here in the Homer area, I don't believe, and I think it
4 would stand to reason with most of the members of your commission, that people
5 would not be ready to offer that right to the Homer City Council. I would
6 like futher to make the observation that the members of the Chamber of Commerce
7 and the City Council are by-in-large business people, and their involvement
8 with the Chamber of Commerce and with the City Council is basely based on
9 business motivation. I'm not saying that in a derogatory manner, but simply
10 what appears to be a specific fact. Many of the people who have spoken against
11 oil development don't have these specific business interests, but are drawn
12 to Home not because of business attraction, but by the quality of life. That
13 particular phrase is one that you've heard over and over again in these
14 testimonies. It's the thing that I would focus on most of all.

15 Now to go from this comparison or this idea of how well represented we
16 are by the City Council and the Chamber of Commerce, I would like to say that
17 I believe that I personally represent a far larger block of people in my
18 particular career field. Um, I accomodate personally something in the
19 vicinity of 250 - 300 visitors to this area from around the world and around
20 the State. I think that I in a certain way have a right to speak for them
21 just as the City Council and the Chamber of Commerce would purport to speak
22 for the people of this area. The visitors that are drawn to this area are,
23 of course, drawn here by the wilderness, the uniqueness of the environment,
24 the life-style, the quite pace, the beauty of our mountains and our streams and
25 our rivers and our coastal environment. Big capital letters for "coastal

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1 environment" because that is really the most focus of activity here. If we
2 were to go back 10 or 15 years ago and to examine the tourist or the visitor
3 potential for this area, you would find that there were very, very few
4 visitors drawn to this area. That trend of course is rapidly changing
5 in the national parks, state parks, throughout the country. Wilderness areas
6 around the world are much, much more in demand now than they were 10 years
7 ago. That progression of interest is going to be along a rythmetic⁹ rather
8 arithmetic progression. In just a few years, we are going to see a doubling
9 of the value of our wilderness areas. Now the wilderness coastal areas
10 adjacent to these proposed lease tracts are right now completely undeveloped
11 insofar as any recreational potential is concerned, and I point out that
12 Kachemak Bay was likewise completely undeveloped in that way as little as five
13 years ago or ten years ago. There was virtually no tourism, visitor traffic
14 here. There is currently in the coastal area adjacent to the leasing. Zero
15 visitor traffic, with rare exceptions. The McNeil River Brown Bear Sanctuary
16 happens to be one; the Katmai National Monument happens to be another, and
17 other wilderness areas. Marine and bird sanctuaries border the area under
18 discussion now.

19 I would like to put forth a serious consideration of what we are
20 looking at is an extremely valuable resource and one that is only going to
21 increase, as I say, in a logrythmetic progression and it simply doesn't make
22 sense to me, not only from all the points of view that you've heard testified
23 about, but from, let's say, a simple economic standpoint. The State tourism
24 industry has researched the rate at which tourism money, for example, has
25 recycled through our economy and has found that a dollar spent at the local

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1 level by a visitor is recycled through our economic structure about seven
2 times before it leaves that structure. Whereas, by comparison, money spent
3 by the oil companies on equipment, on supplies, and facilities, rapidly leave
4 our economic structure to end up in Dallas or New York or points where the
5 kinds of materials or supplies they require are manufactured. So, from a
6 simple economic point of view, the idea of harvesting a non-renewable
7 resource at the very real, and at the admitted expense of the environment,
8 as the Environmental Impact Statement points out, is to me simply, not
9 economically wise. Um, there are, as I've said, a number of other points of
10 view that I could go into, but they seem to have been pretty well covered by
11 other people. I would only say that a large part of my testimony has already
12 been covered, and that basically, I would completely subscribe to the
13 attitudes and ideas put forth yesterday by Mr. Bloom, who represented the
14 Conservation Society, our local conservation society here. Let me just
15 review my notes here for a few minutes, if I may. I am probably going over
16 time but--well, I think I've covered most of the things. There other points
17 of view, as I said, but again, I would stress the fact that it seems to me
18 that the only--as Mr. Ringer already pointed out this morning--that the only
19 people that you've heard from who would support this plan are people who are
20 business involved and largely financially motivated. The exceptions would be,
21 and I'm not sure actually if you heard yesterday from the City Council--I
22 know you heard from the Chamber of Commerce, but in any case, I would like to
23 make the strongest possible plea that those two testimonies be given serious
24 consideration in terms of who they represent. Again, I would point out that
25 I represent at least an equal block of people, the tourists and the visitors

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1 that come to this area who would not visit this area were its character and
2 its general appearances changed by rapidly increasing growth rates in our
3 local community and the various kinds of onshore impacts that we are going to
4 see. Then one more time to say that the coastal area directly adjacent to the
5 leases is an extremely economically, extremely, valuable asset, one that best
6 remains in the bank drawing interest, just like the oil under the ground. It
7 is very valuable as we all well know. There has been testimony about the
8 rate at which we Americans waste our precious oil products and to me, the
9 simple economics, the simple dollar value of what we are dealing with here
10 far outweighs the short-term dollars of the rapid harvest of the fossil
11 fuels involved here. I think that is about all I have to say.

12 MR. TREMONT: Thank you. Folks, ah, Mr. Worby was scheduled to
13 testify at 9:30 at this hearing. This hearing will stay over until 11:00 and
14 we will take testimony from anybody who comes through the door up until 9--
15 uptil 10 o'clock. It's 9 o'clock sharp and we were scheduled to be in
16 session until 10.

17 UNIDENTIFIED PERSON: Would you have any objection to broadcast over
18 the radio station and ask them to make an announcement to that effect. That
19 you are here and open for testimony if people are interested in coming around?

20 MR. TREMONT: That's what we are here for.

21 OFF RECORD

22 ON RECORD

23 MR. JEFF SPRINGETTE: My name is Jeff Springette. S--P--R--I--N--G--E--T--
24 T--E. I've lived in Kodiak, fishing out there, doing carpentry work in the
25 winters, fishing in the summers for the past four or five years. I have just

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1 moved over to Homer, bought some land out on east end road. I like it
2 over here, I like the life-style over here; it's beter than Kodiak. People
3 are friendly. It is more of an effort at self-sufficiency. It is a type
4 of life-style I am looking for. I really like Homer. I have been looking for
5 a long time to find a home, and I feel good about being here. I was a fisherman
6 in the summer, and I was a carpenter before I started fishing. I just helped
7 a friend out on east-end road build a cabin. He didn't have too much money,
8 and I pretty much volunteerd my efforts there. I would rather be doing that
9 and building a cabin than seeing a bunch of cheap trailers and cheap housing
10 going up here in Homer for the oil people. I think a lot has to be said too
11 about as far as future needs for oil, people down there are crying for more
12 and more oil. Well, there's not really going to be too much of an effort made
13 at developing technologies such as wind, solar and biomass, which is in their
14 beginning stages of development and have great potential. I just think it is
15 a waste, you know, to be drilling in this oil and putting people in. The
16 auto industry is ten years behind its time. It's not just the oil industry,
17 but everyone else. Americans are neurotically driving their cars. I would
18 just like to see people have a higher consciousness about how valuable oil
19 is and I would like to see it stop being wasted and put into more important
20 uses. Like in oil to the battery of your car, you don't drive off the power
21 from your battery you use to get the battery to start the car and get it
22 rolling. Then you switch to a different source. I think that is an important
23 comparison to oil. It has chemicals in it. Ah, anyway, it's got important
24 chemicals in it, and its important for lubrication and I think a lot of it
25 used now is wasteful, inefficient, and as time goes by, I think we are going

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1 to find more important uses for it. I guess that is all I have to say off
2 the top of my head right now.

3 MR. TREMONT: Thank you very much. Is there anyone else who wishes
4 to testify?

5 MS. ROBIN ZIPERMAN: I would just like to go on record in saying that I
6 am opposed to the oil and gas lease sales in the lower Cook Inlet. I think
7 that we would do better to explore all alternative sources^s of energy rather
8 than to risk destroying the fisheries in the area, the fisheries that we
9 also depend on. I also would hate to see this area developed like Kenai or
10 in Anchorage. I think a lot of us live here because of the natural beauty of
11 the area that we live in, and I think that we would like to keep our environment
12 in harmony with that natural beauty rather than have it marred by oil rigs
13 and just rows and rows and miles and miles of housing that was slapped up to
14 accommodate the oil industry. I am opposed to seeing oil development in the
15 lower Cook Inlet. Thank you.

16 MR. TREMONT: Anyone else?

17 MR. CAMDON WALL: My name is Candon Wall, W--A--L--L. Diamond Ridge
18 Road overlooking Kachemak Bay and Cook Inlet. I guess my profession is
19 considered an entrepreneur, dealing in ivory and antiques, house rentals,
20 land development. I have just come to make a public statement that I don't
21 feel the oil industry is really compatible with most of the people in Homer.
22 I would have to agree that it would increase the economic input to the area.
23 I don't think the economic input is worth the environmental break-downs that
24 are possible. When I came up to Alaska in '67, I noticed that after about 1971
25 there was a definite change in leaving the doors open, et cetera. This was

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1 through the entry of oil development within our state. I think there is
2 plenty of the state already being used for oil development without taking a
3 beautiful area like Homer, which I feel should be kept for the people that
4 live here and sort of preserve it. I would publically like to be against
5 oil development in this area, not necessarily in Alaska.

6 MR. TREMONT: Mr. Haynes?

7 MR. BOB HAYNES: My name is Bob Haynes. I'm a local fisherman and have
8 been for the past 10 years. I don't know if its been on record thus far because
9 I didn't get in on any of this, but I would like it known that in the previous
10 oil exploration in Cook Inlet that has taken place in the last few years we
11 have had considerable problems with gear loss due to that oil exploration.
12 That's namely two reasons: one is the seisograph activity prior to the sales
13 and during. Boats have come in. They have a NOAA permit, but they haven't
14 checked in with the fish and game or the local fishing organization. They
15 have dug their cables, like there is one off here with approximately 3 miles
16 of cable behind it, and in areas where there is great concentrations of crab
17 gear which has been lost to fishermen. The other main way was support
18 vessels with each drill rig which takes at least a minimum of two per rig,
19 and there was three operating here at once, which made at least six vessels,
20 back and forth through the Inlet here everyday. We had problems with those
21 people indiscriminately running through crab gear, areas of high concentration
22 of crab gear before we could get them informed of the proper corridors to
23 operate in. After they were notified, most all of them did observe it,
24 marine corridors that had been set up previous. But when they just come in
25 and do it, a lot of the damage is done before you are notified, and they all

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1 seem to be cooperative once they know of it. This kind of thing keeps
2 happening all the time. We are always assured before each one that there
3 will be full cooperation and things start happening. All of a sudden there
4 is a drill rig on the horizon, and we haven't been notified. The Fish and
5 Game doesn't know and it just happens. I would hate to see that happening in
6 Shelikof Strait because--or even more in Cook Inlet because that is a highly
7 critical area and loss of gear at the wrong time of the year, and if there
8 isn't cooperation between all the parties concerned there is going to be
9 definitely a lot of problems. Now if you have any questions for me, I would
10 be happy to answer them.

11 MR. TREMONT: Bob, basically, in regard to support boats, you would
12 like to see them coordinate their movements with the local fishermen?

13 MR. HAYNES: Yes. Ah, I can't think of the name of the boat there.
14 They are on a contract with ARCO, however. It's a big vessel and they were
15 operating here. I saw them out on where there's quite a lot of dungeness
16 here, out here on the bluff area. For two days, I saw them, and they had to
17 be in that gear. I don't know that they were dragging that cable there, but
18 I talked to the skipper and the man in charge. They had not checked in with
19 the Fish and Game Department here or with our local fishermen's organization
20 prior to just doing their seismic work this fall. It would have aided it a
21 lot if they could have been, and we could put an observer on board to start
22 with. If there was damage--they did run over a couple of dungeness pots
23 and they picked up one king crab pot with their cable. They got it entangled
24 and put it on the dock down here. They were actually trying to be cooperative,
25 but it would have been an awful lot handier if someone had been notified and

1 we had an observer on. We knew the area of the gear concentration and avoided
2 them totally.

3 MR. TREMONT: Thank you. We appreciate it.

4 MR. HAYNES: Anymore questions you might have?

5 MR. TREMONT: No, I think the questions you stated many times, ah,
6 that one particular point about putting an observer aboard the seismic vessels
7 has not been brought up here before.

8 MR. HAYNES: Well, that's been done in the past, though. A time or
9 two when those people did come to us, we did get an observer and have him put
10 on board. But this time, nobody was notified as far as I could determine from
11 speaking with those people.

12 MR. TREMONT: Thank you. Ah, it being 9:59 and nobody else being here
13 to testify, I hereby order this meeting adjourned, and it will be reconvened
14 in Kodiak at 1 o'clock today.

15 (HEARING ADJOURNED AT 9:59)